

DAILY REPORT

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RENMIN RIBAO CAUTIONS FOREIGN JOURNALISTS

HK050955 Beijing RENMIN RIBAO in Chinese 5 Mar 82 p 6

[Short commentary: "Journalists Should Respect Facts"]

[Text] During the past few years, because our country has pursued an open-door policy, the interest of foreign countries in trying to find out more about China's situation has been ever growing and the number of journalists assigned to China by foreign news organizations has also been increasing.

This is something worth welcoming. At present, the press is the quickest and most extensive means of propagation. It can play an important role in facilitating and promoting mutual understanding among countries. As a matter of fact, during their stay, many journalists assigned to Beijing have sent out numerous objective and fair-minded reports and they have done commendable work in telling their own countries and the world about China.

However, we have also found that the reports of a small number of journalists are far from being objective and fair-minded. These journalists have taken a distorted view of the development of events in China. They like rumors and seek hearsay evidence. They even exaggerate things to scare people and start rumors to mislead people. Some of them have made wild conjectures and have started and spread rumors about the activities and whereabouts of Chinese leaders.

Of course, after all, facts are facts and rumors are rumors. No matter what the subjective desire of these people and no matter what vivid description has been presented about things which do not exist at all and which will never occur, rumors will eventually be exposed before facts. In the end, these people will only make fools of themselves. In addition, they are bound to damage the reputation of news organizations which they represent.

China is advancing toward a situation of great order and it will certainly attain its goal. We still have difficulties and problems of this kind or that in our advancement. This is nothing strange at all. We do not want to conceal our difficulties and problems; nor are we afraid of having them pointed out. However, objective reports and fair-minded criticism are entirely different from spreading rumors for ulterior motives. If you are an upright journalist with a sense of responsibility, you should respect facts and base your reports on evidence and not fabricate things or resort to deception in reporting and commenting on the development of events in China, irrespective of your personal views and stand. To produce objective reports is the minimum professional requirement of a journalist.

PRC ADDRESSES GENEVA COMMITTEE ON DISARMAMENT

OW050741 Beijing XINHUA in English 0723 GMT 5 Mar 82

[Text] Geneva, March 4 (XINHUA) -- China today once again pressed for an immediate halt to the development and testing of nuclear weapons by the two superpowers.

Addressing a session of the Geneva committee on disarmament here, the head of the Chinese delegation, Tian Jin said the United States and the Soviet Union should first substantially reduce the number of their nuclear weapons, and then the nuclear arsenals of other countries should be reduced in an appropriate proportion. "This is the only correct way of nuclear disarmament in line with the status quo of nuclear buildup in various countries," he stressed.

Tian Jin added that the nuclear arms of the two superpowers are not only enormous in quantity, but also most sophisticated in quality. To contend for world hegemony and prevail over each other, the two superpowers are accelerating the development and deployment of nuclear weapons in spite of all the talks between them on the limitation of such weapons. They have entered into a new round of nuclear arms race centered on better-quality nuclear weapons.

Therefore, Tian Jin said, the two superpowers should put an immediate end to all their activities of enhancing the number and quality of their nuclear weapons and carrying vehicles.

Tian Jin recalled that the U.S. and the Soviet Union have conducted more than 1,100 nuclear tests since 1945. "There is no reason whatsoever for them to continue the tests. They should stop such tests immediately and forever," he stated. He said: "An end to the tests, development and production of nuclear weapons must go hand in hand with a drastic cut and destruction of nuclear weapons. Only in this way can the danger of a nuclear war be diminished."

Tian Jin pointed out that since China is going all-out in economic construction, she does not want to consume her resources to develop nuclear weapons. "However," he said, "in face of the superpowers' nuclear threat, we are compelled to acquire the necessary defense capability to safeguard our independence, security and economic construction." "We have carried out only a very limited number of nuclear tests," he noted.

The Chinese representative reiterated that "at no time and in no circumstances will China be the first to use nuclear weapons and, in conjunction with this position, we will not use or threaten to use nuclear weapons against any non-nuclear country and region."

ENGINEERING CORPORATION SIGNS FOREIGN CONTRACTS

OW240625 Beijing XINHUA in English 1232 GMT 23 Feb 82

[Text] Beijing, February 23 (XINHUA) -- The Beijing-based China Construction Engineering Corporation has signed 227 contracts worth 240.3 million U.S. dollars with foreign firms since its inauguration in 1979, the WORKERS DAILY reported today.

The corporation does business with 200 firms and government departments in 30 countries and regions, the paper said. It has undertaken construction projects in the Arab Republic of Yemen, the Sudan, Thailand, Hong Kong and Macao, providing workers, buying and selling real estate and processing and manufacturing building materials. It has branches in eight countries and regions, and nine joint companies, some with Overseas Chinese businessmen, according to the paper. The corporation has more than 6,000 Chinese workers abroad, the paper said.

ACCORD ON TAXATION EXEMPTION SIGNED WITH U.S.

OW050841 Beijing XINHUA in English 0833 GMT 5 Mar 82

[Text] Beijing, March 5 (XINHUA) -- An agreement between the Government of the People's Republic of China and the Government of the United States of America with respect to mutual exemption from taxation of transportation income of shipping and air transport enterprises was officially signed here today.

The agreement stipulates that income and profits of an enterprise of a contracting state from the operation of ships or aircraft in international traffic shall be taxable only in that contracting state. These income and profits include those from the operations of passenger, cargo or mail transportation.

The signing ceremony was held at the Great Hall of the People. Chinese Minister of Finance Wang Bingqian and U.S. Ambassador to China Arthur W. Hummel signed the document on behalf of their respective governments.

U.S. ADMINISTRATION SAID FACING BUDGET 'DILEMMA'

OW271756 Beijing XINHUA in English 1618 GMT 27 Feb 82

[Text] Washington, February 26 (XINHUA) -- The U.S. administration of President Ronald Reagan is in an awkward dilemma in face of the fierce debate both inside and outside the administration on the 1983 budget.

The debate is centered on how to trim the record-breaking deficit. There is a wide-spread concern that the huge deficit will cause serious effects to the current recession. As a result, proposals for revising the budget with a view to slashing the deficit have been put forward one after another. The outstanding ones were those submitted by Republicans and even government officials.

On February 22, Senate Republican leader Howard Baker pressed for a cut of the deficit by 37 billion dollars by imposing a 10 percent income tax surcharge. The following day, the influential Republican chairman of the Senate Budget Committee, Pete Domenici, proposed an alternative to Reagan's budget, demanding a cut of 20-25 billion dollars in defense spending in three years, coupled with a tax increase of 120 billion dollars and a freeze on other government expenditures. He criticized Reagan's budget for "threatening to crush any hope of economic recovery" and predicted that it would be impossible for the Congress to pass it. On the same ground, proposals are also being prepared by other congressmen of both parties.

The Federal Reserve Board has been critical of the new budget from the very outset. Board Chairman Paul Volcker has repeatedly warned against the choking effects of a huge deficit on a possible recovery of the economy. He advocated a further cut in federal spending and an increase in taxation so as to chop the deficit in fiscal 1983 by at least 20 billion dollars. This was followed by a special meeting between the chairman and President Reagan who, at a press conference on February 19, spared no efforts to emphasize his support for the board's monetary policy. But only a few days later, Volcker came out again to attack the new budget.

The Congressional Budget Office Thursday made public an analysis of the President's budgetary proposals for fiscal year 1983, which criticizes the Reagan administration for being over-optimistic about economic prospects. The analysis expects the budgetary deficit to reach 121 billion dollars, instead of 91.5 billion, in 1983 and the total deficits from 1983 to 1985 to reach 390 billion dollars, 143.7 billion more than the administration's predictions.

The White House has recently sent its senior Cabinet members to approach the American Federation of Labor-Congress of Industrial Organizations (AFL-CIO) as part of its efforts to ease the strong resentment of the various trade unions and other mass organizations over increased military expenditure and reduced social spendings. But the administration's economic policy remained an object of censure at the AFL-CIO's winter council meeting held in Florida last week. Meanwhile, many of those businessmen who were Reagan's backers have lost confidence in the new budget and expressed open dissatisfaction with it.

Under pressure from all directions for compromises, President Reagan has had to change slightly his rigid stance in regard to his new budget. Cabinet secretaries have told the Congress that they are ready to listen to any proposals calling for budgetary revisions. Reagan himself, however, still stressed that he would refuse to make any changes in his plans for tax reductions and increased military spendings.

Reagan's economic recovery program is based on tax cuts, reduced social spendings and increased military expenditure. The White House maintains that there must not be any easy talk of a "retreat" on the matter, since any principled changes to be made by the President in this respect would cause far greater political losses than economic ones.

So the only alternative left would be a further reduction in social spendings, which would add to the resentment both inside and outside the Congress. This is the dilemma in which the Reagan administration has now found itself at home.

RENMIN RIBAO VIEWS SOVIET PLIGHT IN AFGHANISTAN

28 Feb Article

HK020346 Beijing RENMIN RIBAO in Chinese 28 Feb 82 p 6

["International Jottings" article by Yun Fei [0061 7378] "A Falling Leaf Heralds the Advent of Autumn"]

[Text] The violent death of Soviet Lieutenant-General P.I. (Shchedchenko) in Afghanistan cannot be regarded as an extraordinary news item, but it does show that the force of the Afghan people opposing the Soviet Union is powerful and that the position of the Soviet occupation army is weak.

(Shchedchenko), 59, had formerly been deputy commander of Soviet troops in East Germany in charge of combat training and chief of the combat training and military education department for the Odessa Military District. Being afraid of the guerrillas, he did not dare to go by land while on an "inspection tour" in Afghanistan. On this occasion he went by helicopter, assuming he could thus avert the guerrillas' attack. How was he to know it was in vain? His personal aircraft was hit by several rockets and this lieutenant-general was thus written off, together with the aircraft.

The fact that Soviet servicemen with the qualifications and service record of (Shchedchenko) should have died in a war of aggression in Afghanistan instead of in the frontline of the Soviet war of defense against aggression was not only a tragedy for him personally but a tragedy for the present Soviet army. The heroic troops who, under the leadership of Lenin and Stalin, made aggressors tremble with fear, have today become an instrument of aggression and expansion for Moscow. A falling leaf heralds the advent of autumn. The end of (Shchedchenko) precisely epitomizes the inevitable fate of the 100,000 Soviet invading troops in Afghanistan.

4 Mar Article

HK050813 Beijing RENMIN RIBAO in Chinese 4 Mar 82 p 6

["International Jottings" article by Bo Yong [3134 3196]: "The Truth Has Come Out"]

[Text] A report recently sent to Moscow by a KRASNAYA ZVEZDA reporter in Kabul admits that the Soviet aggressor troops in Afghanistan have found themselves in a wretched plight. The reporter writes: "We cannot deny that they are sometimes in very difficult positions -- not a single soldier (whether Soviet or Afghan) can conceal this fact."

It is already known to all that the Soviet aggressor troops in Afghanistan have sunk into a quagmire and are unable to extricate themselves from their plight. However, Moscow always regards reports on the plight of the Soviet troops as "slander" and "rumor." It slaps its face until it is swollen in an effort to look imposing, saying that the Soviet troops have already won a "decisive victory" and "effectively control" the whole of Afghanistan. It seems that no resistance forces have ever existed and that the Soviet troops are making a tour of Afghanistan rather than fighting a war. Now the report by the reporter of KRASNAYA ZVEZDA -- the mouthpiece of the Soviet army -- has let the truth out. It is Moscow itself, and not other countries, which spreads rumors and false stories on the problem of Afghanistan.

PROVINCIAL OFFICIALS MARK SOVIET ARMY FOUNDING DAY

OW240316 Beijing XINHUA in English 0158 GMT 24 Feb 82

[Text] Beijing, February 23 (XINHUA) -- On the occasion of the 64th anniversary of the founding of the Soviet Red Army, leading members of the governments and Sino-Soviet Friendship Association branches in Liaoning, Jilin, Heilongjiang and Hubei Provinces and the Inner Mongolian Autonomous Region laid wreaths at the tombs of fallen heroes of the Soviet Red Army or at the monuments to their memory. These Soviet Red Armymen gave their lives in the war against fascism.

LI XIANNIAN MEETS DPRK JOURNALISTS DELEGATION

OW041808 Beijing XINHUA Domestic Service in Chinese 1442 GMT 4 Mar 82

[Text] Beijing, 4 Mar (XINHUA) -- Li Xiannian, vice chairman of the CCP Central Committee, met this afternoon with a delegation from the Korean Journalists Union led by Pak Chan-kun, vice chairman of the union Central Committee, and had a cordial and friendly conversation with the guests.

In reference to China's domestic situation, Li Xiannian said: To develop China's socialist modernization, we must build our party well. He said: Our entire party is united and the party Central Committee is united as one. The two major tasks that we have been carrying out -- streamlining institutions and striking at economic crimes -- are going on well. This amply shows that the CCP is great, glorious and correct and that China's political situation is stable. Only if the Central Committee is united can such important decisions be made and the party smoothly lead the people throughout the country in carrying out the tasks.

Li Xiannian said: Without striking at economic crimes, our country will have no future. We are sure that the majority of our cadres are good or relatively good and that our party is capable of resisting the corrosive influence of the bourgeoisie. Li Xiannian said that the planned economy must be the nation's highest priority in socialist construction, with market regulation subsidiary to it. He said: This is an important principle.

Speaking of Sino-Korean friendship, Li Xiannian said: The profound friendship between the two parties and countries has been cemented in protracted struggle. This friendship, cemented with blood, can withstand tests. We should strive to develop it.

Pak Chan-kun said: In China we have seen the Chinese people striving to build their country into a powerful socialist nation.

He said that he would make efforts to further develop the friendship between the peoples and journalists of the two countries.

Present at the meeting were Wang Yi, first secretary of the Secretariat of the All-China Journalists Association, and Chon Myong-su, Korean ambassador to China.

REPORTS ON VISIT OF TRADE DELEGATION TO DPRK

Meeting With Yi Chong-ok

OW041540 Beijing XINHUA in English 1505 GMT 4 Mar 82

[Text] Pyongyang, March 4 (XINHUA) -- Yi Chong-ok, premier of the Administration Council of the Democratic People's Republic of Korea, received the Chinese Government trade delegation headed by Foreign Trade Minister Zheng Tuohin.

Yi Chong-ok expressed satisfaction over the development of trade between China and Korea. He said that China had offered substantial material aid to Korea in its socialist construction. The continued development of the economic relations between China and Korea were in the interest of the peoples of the two countries, he added.

The Chinese delegation arrived here on March 2 by plane.

Goods Exchange Protocol Signed

OW041542 Beijing XINHUA in English 1507 GMT 4 Mar 82

[Text] Pyongyang, March 4 (XINHUA) -- A protocol of goods exchange for 1982 was signed here today between the Governments of China and Korea.

Zheng Tuobin, head of the Chinese Government trade delegation and minister of foreign trade, and Choe Chong-kun, Korean minister of foreign trade, signed the protocol on behalf of their respective governments.

Present at the signing ceremony were Korean Vice-Foreign Minister [title as received] Pang Tae-yul and charge d'affaires ad interim of the Chinese Embassy to Korea He Zhangming.

GU MU DISCUSSES COOPERATION WITH JAPAN AT NPC

OW050829 Beijing XINHUA in English 0815 GMT 5 Mar 82

[Text] Beijing, March 5 (XINHUA) -- Gu Mu, vice-premier of the State Council, said here today that prospects are broad for Sino-Japanese economic cooperation, which has greatly contributed to the two countries' development and the increase of mutual interests. He said: "In the present stark international situation, the strengthening of Sino-Japanese cooperation is of great importance."

Vice-Premier Gu made the remarks to the ongoing 22d Session of the Standing Committee of the Fifth National People's Congress here this morning in his report on the second ministerial conference in Tokyo. The conference, December 15-16, was attended by members of China's State Council and the Japanese Cabinet.

He said: "The Sino-Japanese ministerial conference helps promote understanding, deepen friendship and close cooperation between the two countries. Both sides have agreed to continue the practice of holding the conference."

The vice-premier said: "During the conference, the two sides reviewed economic cooperation problems, discussed ways and means of strengthening cooperation and exchanged views on the current international situation." He said: "In regard to economic cooperation, the two sides have common views and common needs. Both sides stressed the need to strengthen cooperation based on the overall situation and long-term interests."

Vice-Premier Gu Mu said: "What the Japanese side is most concerned about is the implementation of cooperative projects, including China's export of coal to Japan in accordance with plan, joint exploration and exploitation of petroleum and the cooperation on revamping China's old, small and medium-sized enterprises."

He said: "This year will be the 10th anniversary of the normalization of Sino-Japanese diplomatic relations. Premier Zhao Ziyang will visit Japan in June, and Prime Minister Zenko Suzuki will visit China this fall. This will be another major event in Sino-Japanese relations."

RENMIN RIBAO ON PROPOSED JAPANESE AID TO U.S.

HK020534 Beijing RENMIN RIBAO in Chinese 25 Feb 82 p 7

["Newsletter From America" by RENMIN RIBAO reporter Yuan Xianlu [5913 0341 4389]: "A Strange Sort of Feeling"]

[Text] Japanese business circles are planning to set up a "partnership prosperity fund" of \$10 billion to help the United States solve its present economic difficulties. This is the first time in history that an offer of economic aid has been made to the United States from a foreign country. Therefore, when this news was announced at the meeting of the U.S. National Association of State Governors held in Washington, it received serious official attention and caused mixed feelings among certain people in America.

This scheme was proposed by Sugahara, a U.S. businessman of Japanese descent and president of the America-Asia Society. He urged Japanese business tycoons to raise these funds and to supply them in the form of low-interest loans to various states in the United States for use on such public projects as the building of ports, bridges, highways and railroads to create job opportunities and stimulate economic development. The National Association of State Governors is prepared to carry out concrete discussions of this scheme.

The willingness of Japanese business circles to provide such an enormous amount of money to help the United States is motivated by a desire to mitigate the increasingly acute economic contradictions between the two countries. In recent years, Japanese cars, electronic goods and an increasing assortment of various products have flooded the United States and forced many U.S. products out of the market. Last year, the United States suffered a deficit of \$18 billion in its trade with Japan. Under these conditions, the U.S. Government has constantly pressured Japan to make various economic concessions. According to reports, Japanese business circles are neither willing to reduce their exports to America nor to increase their imports from America. Therefore, Sugahara has himself come up with the idea of using 50 or 60 percent of the money from the trade deficit between the two countries and supplying it in the form of loans to the United States at terms of 10 percent below the prime lending rates of U.S. banks. This idea has finally won acceptance among some Japanese business tycoons.

Judging from the initial response on the U.S. side, this proposal appears to be quite attractive. Governor Graham of Florida, a responsible member of the National Association of State Governors, in a letter to the other state governors, said: This aid "will have a dramatic impact on the economies of our various states." A spokesman of the association said last week that because of years of worry over the shortage of funds by the various states in America and the recent exacerbation of the problem caused by President Reagan's "new federalism," this proposal will probably be welcomed enthusiastically.

Naturally, the appearance of this plan cannot but produce "a strange sort of feeling" among many Americans. An American official said emotionally: "I have heard this plan described as a Japanese 'Marshall Plan' to the United States." In former years, how impressive the United States was in dealing with its allies from a position of overwhelming economic strength! Today, Japan, which it had formerly helped to build, is instead now offering help to the United States. How can this but make these Americans feel bad?

The Japanese business tycoons are also not unaware of this. Sugahara said that when he first brought up his idea, there were people in Japan who suspected that this might give some Americans the feeling of "the ant trying to help the elephant." However, when he returned to the United States with this idea, the main reaction was the opposite.

This shows that whether or not this is agreeable is one thing and harsh reality is another. We cannot say on the whole that Japan has already surpassed the United States in economic strength, and cannot say this plan will not necessarily succeed. But the fact that Japan has offered to help as a partner in promoting the economic recovery of the United States is more dramatic proof that the United States, which used to be so powerful after the war, is now steadily going downhill.

AFP: FRENCH CP REPORTS MEETING WITH JI PENGFEI

OW050542 Hong Kong AFP in English 0520 GMT 5 Mar 82

[Excerpts] Beijing, 5 Mar (AFP) -- A delegation of the French Communist Party -- the most pro-Soviet Communist Party in Western Europe -- has started talks here aimed at restoring relations with the Chinese Communist Party. Relations between the two parties were broken off about 20 years ago with the advent of the dispute.

The French delegation today released a statement saying the three of its members yesterday held talks with Vice-Premier Ji Pengfei, who was also the Chinese Communist Party International Liaison Department chief.

A French delegate said Mr Ji and the head of the French mission, Maxime Gremetz, had exchanged toasts expressing their wish for the reestablishment of relations "warmly" at a banquet after the meeting.

The Gremetz delegation is the first French Communist Party mission to visit China in 23 years. It will also pave the way for a visit to China by the French Communist Party leader Georges Marchais -- possibly in September -- which will mark the formal reestablishment of relations between the two parties.

The statement also said the delegation would hold several in-depth discussions and would visit the ancient imperial capital Xian in central China.

One delegate said the talks were conducted on the Chinese side by Feng Xuan, the first assistant of Mr Ji in the party International Liaison Department.

BO YIBO MEETS SFRY SCIENCE ACADEMY PRESIDENT

OW020844 Beijing XINHUA in English 0827 GMT 2 Mar 82

[Text] Beijing, March 2 (XINHUA) -- Chinese Vice-Premier Bo Yibo met with a delegation of the Academy of Science and Arts of Yugoslavia led by its President Jakov Sirotkovic in the Great Hall of the People here today.

The vice-premier briefed the guests on China's political and economic situation. He said the central leadership of the Chinese Communist Party is strong and enjoys high prestige among the people. He said China is now simplifying the government structure and punishing offenders in the economic field. "Our party has the courage and is powerful enough to solve these two problems," he said.

On bilateral relations, Vice-Premier Bo said very good relations exist between China and Yugoslavia, and the two countries are expected to expand cooperation and exchanges in more areas.

Sirotkovic said the two countries may learn from each other in many respects. "Yugoslavia will also appoint some of our people to conduct research on China," he said.

Also present were Yugoslav Ambassador to China Mirko Ostojic and Director of the Foreign Affairs Bureau of the Chinese Academy of Social Sciences Wang Guangmei. The Yugoslav guests arrived in China February 19 at the invitation of the Academy of Social Sciences.

WU XIUQUAN ATTENDS GDR ARMY DAY RECEPTION

OW011234 Beijing XINHUA in English 1221 GMT 1 Mar 82

[Text] Beijing, March 1 (XINHUA) — Colonel Egon Mueller, military attache of the Embassy of the German Democratic Republic in China, and his wife gave a cocktail party here today to mark the 26th anniversary of the founding of the National People's Army. Present were Wu Xiuquan, deputy chief of General Staff of the Chinese People's Liberation Army, and military attaches of various foreign embassies in China.

GOODS-EXCHANGE AGREEMENT SIGNED WITH GDR

OW221534 Beijing XINHUA in English 1524 GMT 22 Feb 82

[Text] Berlin, February 22 (XINHUA) -- China and the German Democratic Republic today signed a goods exchange and payment agreement for 1982.

Wang Runsheng, Chinese vice-foreign trade minister and head of the Chinese trade delegation, and Eugen Kattner, GDR vice minister for foreign trade and head of the GDR trade delegation, signed the agreement on behalf of their respective governments. Dr Gerhard Beil, acting GDR foreign trade minister, and Chen Dong, Chinese ambassador to the GDR, attended the ceremony.

The total trade value between the two countries under the current agreement will be increased over last year.

MUBARAK POSITION ON ISRAELI VISIT NOTED

OW031944 Beijing XINHUA in English 1849 GMT 3 Mar 82

[*"Egyptian President Persists in Just Stand -- by XINHUA Correspondents Wan Guang and Wang Deming" -- XINHUA headline*]

[Text] Cairo, March 2 (XINHUA) -- Egyptian President Husni Mubarak's attitude toward the Palestinian and Jerusalem issues has shown his willingness to support the rights of Arabs and Palestinians and to seek reconciliation between Egypt and other Arab countries.

Mubarak, in defiance of U.S. and Israeli pressure, has refused to visit Jerusalem during a scheduled tour of Israel and has persistently held that east Jerusalem, as is the West Bank of the Jordan River and the Gaza Strip, is Arab land. These positions have attracted public attention because they have been put forth only months before Israel is to withdraw from the Sinai.

Not long ago, the United States and Israel did their utmost to maintain an Egyptian concession on Arab and Palestinian issues so "principled agreement" could be reached in the Palestine autonomy talks. But Mubarak has insisted that any agreement concerning Palestinian autonomy must be acceptable to the Palestinians and participated in by Palestinians and other Arab countries.

Menahem Begin is unreasonable to place preconditions on Mubarak's visit to Israel. Israeli officials made it clear that Israel wants Egypt to make "concessions" before Israel's withdrawal from the Sinai to prevent Egypt from improving its relations with other Arab countries.

It also has been reported that U.S. Secretary of State Alexander Haig told Israeli leaders in recent talks that the United States hopes to keep Egypt within the framework of the Camp David accords, so Egypt will not become aligned with Arab states. Washington may find itself in a more isolated situation in the Middle East if it does not try to understand Egypt's motives and moderate its policies on Palestinians and Arab nations.

EGYPT'S FOREIGN POLICY 'READJUSTMENT' VIEWED

OW041800 Beijing XINHUA in English 1627 GMT 4 Mar 82

[*"Egypt's New Policy of More Friends, Less Foes -- by Correspondent Chen Peiming" -- XINHUA headline*]

[Text] Cairo, March 3 (XINHUA) -- Since coming to power four months ago after the assassination of Egyptian President Anwar as-Sadat, President Husni Mubarak has steadily readjusted his country's foreign policy.

A chief editor of a Cairo weekly summarized the policy as follows: Proceeding from the interests of Egypt, Egypt belonging to the Arab world, and nonalignment. Mubarak has repeatedly stressed that he is most concerned about the country's economy and stability, so Egypt is seeking a foreign policy which will benefit the country's stability and national development. The most important aspect of the policy, which is described as a policy of "more friends and less foes," is to mend the fences with other Arab countries. Egypt said its strategy lies in its ties with Arab, African and Islamic countries.

First Under-Secretary of Foreign Affairs and Director of the Presidential Office Usamah al-Baz said recently that Egypt's priority for its foreign policy is its relations with other Arab countries.

Egypt has refrained from being accusatory of other Arab countries and has hailed Saudi Arabia and other Gulf states for their efforts toward cooperation in the Gulf area. It also has expressed its willingness to restore its relations with other Arab countries.

However, the Palestinian problem is the key to the improvement of Egypt's relations with the other Arab nations. The signing of the Camp David accord led to the estrangement of Egypt from the other Arab countries.

Since he came to power, Mubarak has stressed more than ever that the Palestinian problem is the crux of the Middle East problem. He upholds the Palestinian people's right to self-determination and has called for a joint effort by Palestine and other Arab countries to seek a settlement of the Middle East problem.

Egypt has withheld pressure from the United States and Israel and has refused to reach a "principled agreement" with them on autonomy talks before the return of the Sinai on April 25. It also shares Arab opposition to Israel's annexation of east Jerusalem. All these approaches have brought Egypt closer to the other Arab countries.

Meanwhile, Egypt has also made efforts to improve its relations with Ethiopia, Chad and Libya. It has strengthened its ties with India and Yugoslavia, leading members of the Nonaligned Movement, and is ready to participate in the nonaligned summit in Baghdad.

Egypt is maintaining close links with the United States while the United States continues to be Egypt's biggest supplier of economic and military assistance. The two countries have common interests in dealing with Soviet expansion in the Middle East. But an Egyptian paper pointed out: "Overdependence upon a big power by a small country will cause it to suffer disasters."

With this in mind, Egypt has developed relations with West European countries to seek more economic and military assistance and is expecting these West European countries to exert influence upon the United States and Israel on the Middle East problem. In addition, it relaxed tensions with the Soviet Union, asked the Soviet Union to send experts to help with construction in the country and negotiated with the Soviets on a deal to increase trade. The two countries may also exchange ambassadors in the near future.

However, Egypt did not relax its vigilance against the Soviet Union. Deputy Prime Minister and Minister of Foreign Affairs Kamal Hasan 'Ali said the Soviet Union's ambassador could return only if Egypt is assured that the Soviet diplomatic envoys would act in conformity with diplomatic norms.

All these indicators point out that Egypt is pursuing a policy to take advantage of a power balance in a wider international scope.

Mubarak's readjusted foreign policy has had positive reactions in Egypt and abroad. Many Arabs hope that Mubarak's foreign policy will contribute to an early Arab conciliation. Some Western newspapers also pointed out that Egypt's relations with other Arab nations will enter "a new era" after Israel's complete withdrawal from the Sinai.

Observers here said settlement of the Middle East problem rests on strong Arab solidarity. Egypt is an important country in the Middle East, and its foreign policy readjustment will bring about great influence not only for its domestic situation, but also for the whole region.

LI XIANNIAN MEETS DOMINICAN WORKERS PARTY LEADER

OW011804 Beijing XINHUA in English 1517 GMT 1 Mar 82

[Text] Beijing, March 1 (XINHUA) -- Li Xiannian, vice-chairman of the Central Committee of the Communist Party, met here this afternoon with Juan B. Mejia, vice-chairman of the Dominican Workers Party, and Ignacio Rodriguez Chiappini, the first vice-chairman of the Dominican Anti-Imperialist Patriotic Union. After the meeting, Li Xiannian hosted a banquet for the guests.

Present on both occasions was Zhang Zhixiang, adviser to the International Liaison Department of the C.P.C. Central Committee.

PLA LEADERS MARK MEXICAN ARMY DAY IN BEIJING

OW190940 Beijing XINHUA in English 0824 GMT 19 Feb 82

[Text] Beijing, February 19 (XINHUA) -- Ricardo Heredia-Diaz, military and air attache of the Mexican Embassy in China, and his wife gave a reception here today to mark the Mexican Army Day.

Attending the reception were He Zhengwen, deputy chief of the General Staff of the Chinese People's Liberation Army; Mei Jiasheng, deputy commander of the P.L.A. Navy; and Wu Fushan, deputy commander of the P.L.A. Air Force. Military attaches of embassies of various countries in China were also present.

TRADE DELEGATION DEPARTS FOR LATIN AMERICA

OW250740 Beijing XINHUA in English 0732 GMT 25 Feb 82

[Text] Beijing, February 25 (XINHUA) -- A Chinese Government trade delegation led by Lu Xuzhang, vice-minister of foreign trade, left here by air yesterday for a visit to Venezuela and Brazil. The delegation will go on to Cuba to sign a trade protocol for 1982 between the two countries.

CULTURAL EXCHANGE PROGRAM SIGNED WITH CANADA

OW271323 Beijing XINHUA in English 1219 GMT 27 Feb 82

[Text] Beijing, February 27 (XINHUA) -- A program for cultural exchange in 1982 and 1983 between the Governments of China and Canada was signed here today. Yao Zhongming, Chinese vice-minister of the Commission for Cultural Relations With Foreign Countries, and Gilles Lefebvre, Canadian director general of international cultural relations, signed the document on behalf of their respective governments.

According to the program, the two countries will exchange groups in the fields of culture and the arts, archives, library, museum, journalism, broadcasting, television, film, publication, sports, and humanities and social sciences. Among those attending the signing ceremony were Huang Zhen, minister in charge of the Commission for Cultural Relations With Foreign Countries, and Michel Gauvin, Canadian ambassador to China.

Lefebvre and a Canadian cultural delegation led by him arrived February 14.

PENG CHONG PRESIDES OVER NPC SESSION 5 MAR

OW050809 Beijing XINHUA in English 0757 GMT 5 Mar 82

[Text] Beijing, March 5 (XINHUA) -- The 22d Session of the Standing Committee of the Fifth National People's Congress held a plenary meeting here this morning. At today's meeting, Vice-Premier of the State Council Gu Mu gave a summary report on the second ministerial conference attended by members of China's State Council and those of the Japanese Cabinet.

Qin Wencai, vice-minister of petroleum industry, reported on the work of the exploration and exploitation of offshore petroleum in cooperation with foreign companies.

Zhao Cangbi, minister of public security, gave an explanation of the proposal submitted by the State Council on pardoning and releasing all former Kuomintang party, government, military and special agency personnel below county or regimental level.

Zhong Xidong, vice-minister of foreign affairs, gave an explanation of the "convention on prohibitions or restrictions on the use of certain conventional weapons which may be deemed to be excessively injurious or to have indiscriminate effects," which had been submitted to the N.P.C. Standing Committee for ratification on the part of China. The convention was open for signing at the United Nations' Headquarters on April 10, 1981. China issued a written statement upon signing the convention in September 1981.

Today's meeting was presided over by Peng Chong, vice-chairman of the N.P.C. Standing Committee.

KMT Personnel To Be Released

OW050716 Beijing XINHUA in English 0701 GMT 5 Mar 82

[Text] Beijing, March 5 (XINHUA) -- China will soon pardon and release all 4,237 former Kuomintang party, government and military personnel and its special agents below county or regimental level now held in custody. The proposal was made here today by the State Council for approval by the on-going 22nd session of the Standing Committee of the Fifth National People's Congress.

In an explanation of the proposal, Minister of Public Security Zhao Cangbi said, "These former Kuomintang personnel in custody have repented and by and large have turned over a new leaf after a long period of education and reform."

All the released Kuomintang personnel will be granted political rights. The minister said this will help consolidate China's political stability and unity, mobilize all positive factors, and promote socialist modernization and the early return of Taiwan to the motherland.

The minister said proper arrangements will be given to them and appropriate jobs will also be assigned to those who still have the ability to work. Those who wish to return to Taiwan will be provided with adequate fare and conveniences. In March 1975, China granted a special amnesty to all Kuomintang war criminals in custody and released them. In December of the same year, it pardoned and released all former Kuomintang party, government and military personnel and its special agents at or above county or regimental level in custody.

NATIONAL INDUSTRY CONFERENCE IN TIANJIN CLOSES

OW041742 Beijing XINHUA in English 1643 GMT 4 Mar 82

[Excerpts] Tianjin, March 4 (XINHUA) -- Premier Zhao Ziyang said today that efforts must be made this year to open up a new prospect in economic work and "drastically improve" economic resu

He was speaking to the closing session of the national conference of industry and communications that began on February 20. The meeting was attended by 600 economic planners and administrators at the central and provincial levels.

Premier Zhao Ziyang stressed the correctness of the policies that have been followed since the Third Session of the Eleventh Communist Party Central Committee was held in 1978, policies that call for expanding China's economic relations with foreign countries and practical measures to boost the domestic economy. The stability and continuity of the policies, he said, must be maintained, and the economic policies that have been followed will remain unchanged this year.

The premier said that it is necessary to have a clear understanding of the new problems that have emerged in the new situation. Planned economy must be upheld, he said, while supplementing it with market mechanism. The tendency of each place or department pursuing its own good without paying proper attention to the overall interests of the country must be opposed, he stressed.

Zhao Addresses Conference

OW050555 Beijing XINHUA Domestic Service in Chinese 1655 GMT 4 Mar 82

[Text] Tianjin, 4 Mar (XINHUA) -- Zhao Ziyang, premier of the State Council, today made an important speech at the national conference on industry and communications. He pointed out: It is now necessary to emphatically correct the guidelines for industrial production by shifting from the long-established practice of simply attaching importance to output value, to paying attention to economic results. We must make efforts this year to open up a new prospect in improving economic results.

Zhao Ziyang said: This year's state plan for industrial production has included the growth rates planned by various provinces, municipalities and autonomous regions. In some localities, however, output quotas were raised from level to level when assigned. It is above criticism that people want to achieve higher output value and a higher growth rate. Yet it cannot be said that the faster the growth rate, the better. The question is one of how to integrate the growth rate with economic results, and not that we have ignored the growth rate but that we have neglected economic results. We must strive for a growth rate with good economic results, and only such a higher growth rate is beneficial to us. If the economic results are poor and the growth rate is inflated, it is not only unprofitable but harmful to us. So it is better to do a solid job and not to seek undeserved reputation in order not to harm ourselves in reality. The State Council holds that it is now necessary to emphatically correct the guidelines for industrial production by shifting from the long-established practice of simply attaching importance to output value to paying attention to economic results. This means that we should stress economic results and achieve a solid growth rate that is not inflated. The question of correcting the guidelines exists not only in industrial production but in capital construction, circulation and economic work as a whole.

Zhao Ziyang pointed out: For a long time, we had blindly pursued high output value and high production growth to the neglect of economic results, thus committing many stupidities. We learned many lessons in the several years after 1958 and in the "Great Cultural Revolution," during which period the growth rate was much inflated. This problem still existed even after the downfall of the "gang of four." Instances of inflated production figures were fewer last year than before, but many problems arose in many localities in the fourth quarter of last year because they were going too fast. If we gained no experience in this regard in the past, we could hardly avoid committing some stupidities. Now that we have become wiser, we must not commit the same stupidities as we did in the past. We must tap our potential in achieving better economic results and strive for production growth.

Zhao Ziyang said: In improving economic results, it is necessary to make clear such a main point, that is, to maximize production that caters to the needs of society while using as little labor and materials as possible. The second half of the sentence means practicing strict economy to minimize usage of labor and materials, and the first half means creating more social wealth. The key question here is to cater to the needs of society, which include quality, designs, colors, variety as well as certain limits in quantity, and corresponding to the level of purchasing power. The needs of society are many-sided, such as needs for production and consumption. The needs of society keep changing with the improvement of material conditions and the people's living standards. Both high-grade products and popular goods of dependable quality must be produced according to the needs of society. Only when commodities meet the needs of society, can the labor taken to produce them be recognized by society. Only thus can the value of commodities themselves and their usefulness be realized and put to full use. Thus they will not become rejects, and the labor taken to produce them will not be useless or even harmful. Maximizing production that caters to the needs of society while using as little labor and materials as possible reflects the requirements of the basic socialist economic law and the requirements of the law for the planned and proportionate development of the national economy. In our socialist country, efforts must be made to continuously study the needs of society. This guiding principle must be firmly established. In doing economic work, we should concentrate our efforts on economizing usage of labor and materials and on studying how to cater to the needs of society and strive to blaze a new path in improving economic results.

Zhao Ziyang said: The improvement of economic results involves many aspects. In the final analysis, it hinges on the work done to readjust the economic structure and to reform the economic system. But we cannot afford to wait and take action only when the system has been reformed and the economic structure readjusted. In the current situation in which the system, structure and price are irrational, it is necessary to bring the role of leadership into full play and to strengthen the guidance of state planning and administrative intervention in order to solve this problem. In places where products are kept in stock for long periods, investigation and a concrete analysis must be made and the problem must be handled. Vigorous efforts should be made to promote the marketing of products catering to the needs of society, especially to promote their sales in rural areas; some of these products can also be sold in the international market. As for products that obviously do not cater to the needs of society and the production of which is irrational as viewed from the overall situation, resolute administration and economic measures must be adopted to intervene in their production.

Zhao Ziyang emphatically pointed out: The key to bringing about a radical change for the better in the financial and economic situation lies in getting onto the path of centering all our economic work on raising economic results. We must go all-out to achieve results in this regard. This is a new test for large numbers of cadres and workers on the economic front.

Economic Barriers Viewed

OW041641 Beijing XINHUA Domestic Service in Chinese 1418 GMT 3 Mar 82

[Text] Tianjin, 3 Mar (XINHUA) -- The national industry and communications conference currently being held in Tianjin has decided to take effective measures to remove the economic barriers between the various localities and departments and allow products of various localities to compete in terms of quality, price, design and varieties.

It has been reflected at the conference that economic barriers are very serious between some areas and departments. Some localities prohibit bringing in products from other localities while others ban local enterprises from buying from other localities. The normal economic ties between the various localities and departments are thus artificially disrupted.

As a result, quality products with high efficiency and low energy consumption cannot freely circulate while products of inferior quality, high energy and material consumption and backward technology are ensured normal production under protection of the localities and departments. The economic readjustment work is adversely affected, the raising of economic returns for the whole society is hindered and the progress of technology is obstructed. Comrades attending the conference strongly urged that effective measures be taken to change the current situation. They stressed that a unified market must be maintained throughout the country and all activities of the nation must be coordinated like pieces in a chess game so as to promote the development of industrial production and the exchange of technology.

The conference stressed that from now on all products turned out according to state standards or produced under state plans -- in particular electrical goods, consumer durables and pharmaceuticals -- are permitted to be sold throughout the country. No localities are allowed to ban their circulation. Industrial, agricultural and sideline products allocated and transferred under state plans must be promptly allocated and transferred according to state stipulated prices with quality and quantity ensured. All regulations drawn up by localities banning import of products from other areas or prohibiting enterprises to purchase from other localities are abrogated. In removing the local barriers, malpractices in commodity circulation must be resolutely eliminated. Illegal means of marketing products by unauthorized price and tax reduction are prohibited. Unauthorized price hikes or fraudulent purchases of materials are also banned. In serious cases, they must be seriously handled. Law-breaking acts like bribery, smuggling, marketing of contraband goods, speculation and profiteering must be punished according to law.

In view of the poor industrial base and backward technology in some remote provinces and areas, the conference urged the concerned departments to give special consideration and support for industrial production in these localities. The technologically advanced coastal areas must carry forward the socialist spirit of cooperation and actively help the backward areas to promote industrial production.

CHINA'S CREDIT BALANCE DEEMED SATISFACTORY

HK050200 Beijing ZHONGGUO XINWEN SHE in Chinese 0811 GMT 4 Mar 82

[Report: "Financial Statistics for Fourth Quarter of Last Year Show That the State's Credit Revenue and Expenditure Situation Was Relatively Satisfactory"]

[Text] Beijing 4 Mar (ZHONGGUO XINWEN SHE) -- The ZHONGGUO JINRONG [CHINA FINANCE] published today announced financial statistics for the fourth quarter of 1981. Data show that the state's credit revenue and expenditure situation was relatively satisfactory.

Various deposits for the fourth quarter reached 203.297 billion yuan and various loans came to 276.467 million yuan. Of the sources of funds, the amount of 5.405 billion yuan deposited in international financial institutions represented a slight increase compared with 5.381 billion yuan for the third quarter. Due to a large increase in agricultural and sideline product purchases at the end of the year and yearend bonus payments, the money in circulation increased by 6.319 billion yuan from 33.315 billion yuan for the third quarter to 39.634 billion yuan. The total amount of money available and the total amount of money for use was in balance and reached 304.786 billion yuan.

The exchange rates and foreign exchange and gold reserves showed slight changes compared with the third quarter. Special drawing rights in terms of renminbi for October, November and December (the final months of the year) were: 2.0097, 2.0223 and 2.0317 yuan respectively. One dollar in terms of renminbi (for the final months of the year) was worth 1.7458, 1.7128 and 1.7455 yuan respectively, the average figures being 1.7505, 1.7346 and 1.7378 yuan respectively. The general trend of the exchange rate for renminbi against the dollar was up. After the announcement of financial statistics in December last year, gold reserves for the first time changed from 12.8 million ounces to 12.67 million ounces, a reduction of 130,000 ounces. Foreign exchange reserves for the fourth quarter reached \$4.31 billion, \$3.999 billion and \$4.773 billion respectively, showing a trend toward increase compared with the third quarter.

EDITORIAL URGES STABILIZING GRAIN ACREAGE

HK040306 Beijing RENMIN RIBAO in Chinese 26 Feb 82 p 1

[Editorial: "Stabilize the Acreage Sown to Grain Crops"]

[Text] One of the important tasks for this year's agricultural production is to continue to increase grain output so that it will even surpass the highest historical level. According to our country's present material and technical conditions, steadily increasing the total grain output must be ensured with a certain amount of acreage sown to grain crops. Therefore, acreage sown to grain crops all over the country must be stabilized and must not be reduced.

Comrades on the agricultural front should assure themselves of two issues. First, our agricultural production must take planned economy as primary and regulation by market mechanism as subordinate. Therefore, the state should with great effort take growing various crops into overall consideration and make all-round arrangements, and it should strengthen its guidance and make plans for grain production and other major crops. Each region and each unit must map out production plans under the guidance of the national plans; every local arrangement must be subordinated to the national overall arrangement. If we are only concerned with the partial situation and the peasants' immediate interests, if we just think of growing those crops that benefit us and reduce the acreage sown to grain crops, then we will be acting blindly. This will not be good for the overall situation, and it will also harm the partial and the peasants' interests. Second, through the 3-year economic readjustment, changes have been made to the past irrational distribution patterns of growing crops, which put undue emphasis on grain crops. Generally speaking, now there is a relatively rational distribution plan for growing crops, and this situation should remain stable. Our principle is "to actively promote diversification without any relaxation of grain production." In the past, stress was put only on grain production, and this affected the development of diversification. This is wrong. However, neglecting grain production is also wrong. China has a population of 1 billion; feeding the population remains the priority task. At present, the level of annual per-capita grain consumption is low in our country. Therefore, we should have no doubts about the principle of "no relaxation of grain production." We must educate the broad masses of peasants and the cadres at the grassroots level with the concepts of giving due consideration to the state, the collective and the individual. We must make all of them understand the whole situation of grain production and educate them to take the overall situation into consideration. Thus, they will abide by the state plans consciously, ensure the acreage sown to grain crops, vigorously boost per-unit yields and continue to develop grain production.

In accordance with the demands of the state plans and on the basis of making rational distribution for various crops, in many localities of our country, acreage sown to grain production is being stabilized and overall arrangements are being made to develop industrial crops; thus output of both can be steadily increased. In some areas which suffered severe natural disasters last year, or which had a modest increase in grain production in the past 2 years, people are resolved to expand the acreage sown to grain crops and to strive for some progress in grain production. This is quite correct. However, in some areas, winter sowing of grain crops was reduced last year, grain supplies were not taken into serious consideration, and the acreage sown to grain crops is being continuously reduced this year. Moreover, in the past 2 years, development some industrial crops such as rape and tobacco leaves has been a bit slow. Although the state has demanded no increase in acreage for these crops, the acreage sown to these crops is still being continuously expanded. If things go on in this way, grain output can hardly increase steadily in line with the national plans. In the meantime, there will probably be overproduction of some industrial crops and irrational distribution patterns. This will make it difficult to ship, process and sell these industrial crops in time, and they could easily be damaged. All this is unfavorable to the comprehensive balance of the national economy and to the sound development of the rural economy, which must arouse our great attention.

Stabilizing the acreage sown to grain production must be linked with the contract system to assure the assigned tasks of collecting and purchasing grain for the state. In 1982, the state began to take the method of assigning tasks for grain purchasing (including above-quota purchasing), sales and allocation. These tasks, which will remain unchanged for 3 years, should be fixed in the form of contracts. Making assignments for collecting and purchasing grain as well as signing economic contracts demonstrate the principle of taking the state plans as primary and regulation by market mechanism as subordinate. All tasks defined in the plans and contracts must definitely be accomplished. It is necessary to fulfill the tasks in every grassroots unit and to make every commune and brigade and every peasant know well how much grain they will consume and how much they will deliver to the state, so that they can make a good plan for sowing and planting with the prerequisite of fulfilling the assigned tasks of delivering grain to the state. By fulfilling the assigned tasks of delivering grain to the state and signing economic contracts, not only can the national plans be accomplished, but the decision-making power of the production brigades will also be respected and the enthusiasm of the commune members will be displayed.

To consolidate and develop commodity grain bases is one of the major aspects for developing grain production. Both cadres and the masses in the commodity grain bases used to work arduously and did everything possible to increase grain output. They actively supplied commodity grain and they made great contributions to building the country and improving the livelihood of the rural and urban people. In addition, the state has taken some measures to readjust and reduce the basic quota for purchasing grain and to purchase the surplus grain at a higher price. With the state protecting the interests of grain-producing peasants, the income of grain-producing peasants is increasing more and more. However, it must be noted that in the past 2 years there was a decline in acreage sown to grain crops and in grain production in some old commodity grain areas.

This has affected the fulfillment of the state tasks for purchasing grain as well as the development of animal husbandry and other trades. It is necessary to encourage the peasants of these areas to continue the development of grain production, and correspondingly to take measures to practically solve the problem of low income of the grain-producing peasants. Special consideration must be given to the allocation of investment, means of production and supplies of some badly-needed commodities and building materials in order to boost the enthusiasm of the grain-producing peasants in these areas to continue to make more contributions to the state.

GUANGMING RIBAO ON STREAMLINING TANG GOVERNMENT

HK040955 Beijing GUANGMING RIBAO in Chinese 15 Feb 82 p 3

[Article by Yao Chengyu [1202 3397 1342]: "The Streamlining of the Government Structure and the Appointment of the Worthy and Talented by Emperor Taizong of the Tang Dynasty"]

[Text] In the history of our country Emperor Taizong of the Tang Dynasty stands out as an outstanding figure of the landlord class. He ruled for 23 years, introducing political reforms which achieved many good results. This article offers a preliminary discussion on the measures taken to reduce redundant personnel and to streamline the government structure.

After ascending to the throne, Emperor Taizong sought to strengthen the centralization of state power, to increase the level of efficiency in the government and consolidate his own rule by carrying out a drastic streamlining of the government structure at both the central and local levels. In the first year of the Zhenguan Period (627 AD) he ordered Fang Xuanling and others to reduce the number of civil and military officials in the central administrative structure from over 2,000 to 640. ("Important Aspects of Government During the Zhenguan Period," "Selection of Officials," vol 3) In the same year, he also issued an edict on the merging of certain provinces, prefectures and counties, demanding that 29 of the original 360 prefectures be merged with other prefectures. ("The Development of Tang Government," "The Division of Prefectures and Counties," vol 70)

Taizhong's decision to streamline the government structure was taken in response to the various problems that existed in the system of selecting officials. According to the normal official selection system, all official candidates were first examined by the officials at the Department of Scrutiny in the Ministry of Official Personnel Affairs which was directly under the Shengshu Sheng [the imperial executive department that was responsible for the six ministries]. The Department of Scrutiny drew up a draft list of appointments in accordance with the standards of official appointment. In the draft list, the merits, demerits and past performance of each official candidate were outlined under his name. Then the list was sent to the minister and vice ministers of the Ministry of Official Personnel Affairs to be examined and verified. After this procedure, the list was forwarded to the Menxia Sheng [the imperial advisory department] to undergo a final check. Officials at and above the fifth grade were personally appointed by the emperor by imperial edicts. But those below the fifth grade would be appointed by the Ministry of Official Personnel Affairs according to their experience and abilities. However, from the end of the Sui Dynasty this system had been abandoned, owing to consecutive years of wars. As a result, officials were selected and appointed at will. At the beginning of the Tang Dynasty, "the Imperial Department urged the various prefectures to send official candidates to the capital for selection and the various prefectures and the imperial commissioners were often given blank letters of appointment and authorized to use them to appoint officials to fill vacancies." (Sima Guang: "Comprehensive Mirror for Aid in Government," vol 192, chapter 8: "History of the Tang Dynasty": "Emperor Taizhong" -- "The First Year of the Zhenguan Period") At that time anyone could be employed by the government as an official regardless of his ability and morality, if only he applied. "Every official candidate without exception was appointed to some post." ("A New Book of Tang History," "Selection of Officials," vol 44) Thus occurred the practice of "choosing official posts for candidates" and the practice of "appointing unqualified people to official posts." At the end of the Sui Dynasty, many local despots "organized armies, set up fiefdoms and fought one another." After the Tang Dynasty had initially been founded, it lacked the strength to control those separatist despots. In order to show favor to those despots who linked their armies to Li Yuan, Li Yuan had to "divide up some prefectures and counties to create new prefectures and counties and, in order to show favor, appoint those despots to govern those new prefectures and counties." As a result, he greatly increased the number of prefectures and counties and "raised it to twice as many as those during the Kaihuang and Daye Periods." (Sima Guang: "Comprehensive Mirror for Aid in Government," vol 192, chapter 8: "History of the Tang Dynasty": "Emperor Taizhong" -- "The First Year of the Zhenguan Period") This gave rise to the phenomenon of "having too many officials to govern too few people" in many areas. Emperor Taizhong of the Tang Dynasty streamlined the government structure, dismissed hundreds of redundant officials and merged dozens of prefectures, thus achieving initial solution to the problems of "appointing unqualified people to official posts" and of "having too many officials to govern too few people." However, the streamlining of the government structure could not be achieved by merely dismissing a few hundred redundant officials or by merely merging a few dozen prefectures. In order to really achieve the objective of streamlining the government structure, a conscientious job of "selecting and appointing people who possessed talent and virtue" and ensuring that the government personnel that remained employed after the streamlining of the structure and those who were newly selected and appointed were all qualified and "competent for their posts" had to be done. Emperor Taizhong of the Tang Dynasty clearly saw the significance of this matter and attached great importance to this work. In the first year of the Zhenguan Period, he said to Fang Xuanling and others, "our officials should be competent rather than great in number." (ibid) Furthermore, he said, "The most fundamental thing in running the country is to have a clear and thorough understanding of the conditions. A good ruler should appoint people to official posts in accordance with their abilities and dismiss redundant officials." "If our officials are competent and virtuous, a small number of them will be sufficient for us. What good can a large number of officials bring us if they are incompetent and lack virtue?"

Our ancestors compared appointing incompetent officials to "alleviating hunger by drawing a picture of a cake and considered both as foolish." ("Important Aspects of Government During the Zhenguan Period," "Selection of Officials," vol 3) In the course of streamlining the government structure, Emperor Taizhong personally took part in selecting important officials for the central and the local governments. At the beginning of the Zhenguan Period, Dou Yan, who was the husband of Emperor Gaozu's daughter Princess Xiangyang and who had successively served as a commander of 1 of the 12 units of the court guards, chief of the imperial court and head of the department of affairs related to imperial relatives, was too old and weak to work. Emperor Taizhong did not hesitate to ask him to retire. The imperial edict issued by Taizhong for this purpose showed his strict requirements for officials and his decision to "select and appoint people who possessed talent and virtue." He said in his edict, "I heard that selecting competent people for official employment would result in bringing good order and prosperity to the country, and on the other hand, appointing specified persons as officials regardless of their abilities and virtue would result in disorder and turmoil. Recently Dou Yan has become even more feeble-minded than before. If he knows that he is unable to perform his official duties yet continues to hold his post for the purpose of getting his high salary, he would not only set a bad example and cause evil impact on most of the other officials, but would also show that the emperor was unwise in retaining him in his post. Promoting and demoting officials in accordance with their performance has ever been our normal practice." ("The Old Book of Tang History," "Biography of Dou Yan," vol 61) Emperor Taizhong paid special attention to selecting important local officials. In the second year of the Zhenguan Period, he said to his courtiers, "Every night I consider matters that concern the people and sometimes cannot fall asleep until midnight worrying about whether the garrison commanders and chief officials in various prefectures are taking good care of the people. There, I have their names written down on my screen so that I can always read their names whether I am sitting or lying in bed. If any one of them has done something good, I will record it under his name. I live in the depths of the palace. My seeing and hearing is limited and I have to rely on the prefectoral garrison commanders and chief officials to take care of the people. That is why they are so vital for maintaining a good rule in the country and why we should select them in an especially careful manner." He personally paid attention to the work of selecting prefectoral chief officials. He said, "I will personally select prefectoral chief officials." ("Important Aspects of Government During the Zhenguan Period," "Selection of Officials," vol 3) Besides personally paying attention to selecting high-ranking officials, Emperor Taizhong repeatedly told his courtiers to be of one heart and one mind in doing a good job of selecting officials. In the second year of the Zhenguan Period, he said to Fang Xuanling and Du Ruhui, "You, as premiers, must help me to solve problems, open up various channels of information and find talented and virtuous people." In the third year of the Zhenguan Period, he said to Du Ruhui, "Recently I saw that in selecting officials, the Ministry of Official Personnel Affairs paid attention only to choosing those who were skilled in writing but neglected to make a thorough investigation of their virtues. A few years later, the evildoers among those chosen to be officials will betray themselves by their evil activities. Though we can punish them severely later, the people will have already suffered." In the sixth year of the Zhenguan Period, he said to Wei Zheng, "As the old saying goes, a king should select proper people to fill official vacancies and should not select them at random." "If honest people are employed as officials, all the good people will be thereby encouraged. But if we appoint evil people by mistake, all the evil ones will vie with one another for official posts...we should be especially careful in selecting officials." (ibid) He also ordered all the officials above the fifth grade in the capital and all the county magistrates to "recommend one official candidate each." (ibid)

Besides conscientiously doing a good job of "selecting people who possessed talent and virtue as officials," Emperor Taizhong promulgated a number of relevant laws and decrees and perfected the system of selecting and checking on officials in order to ensure the fulfillment of the task of streamlining the government structure.

In the first year of the Zhenguan Period, Emperor Taizhong promulgated the "Imperial Edict on Exposing and Punishing Officials Who Violate the Law or Imperial Edicts." This edict stipulated that, "From now on, if any official commits acts in violation of the law or imperial edicts, the department directly above him should investigate his offenses, punish him and report his case to the court." ("Collection of Major Imperial Edicts in the Tang Dynasty," "Criminal Law," vol 82) Concerning offenses committed when recommending official candidates, in the "Selection of Officials" in "A New Book of Tang History," there is the following regulation: "Anyone who recommends an unqualified official candidate or fails to recommend any official candidate will be liable to legal punishment. So will those who misrepresent the results of investigations and examinations of official candidates." "Anyone who appoints officials in excess of the prescribed number will be liable to legal punishment." (vol 44) What punishment were these officials likely to receive? According to the "Law of the Tang Dynasty," there were the following clear and definite provisions about their punishment: "The punishment for the offense of recommending an unqualified official candidate and for failure to recommend one official candidate is 1 year's imprisonment, but the maximum punishment for this offense is 3 years' imprisonment." The offense of appointing 1 official in excess of the prescribed number will be punished by 100 blows from a bamboo cane. Excessive appointment of a second official will be punished by an additional 100 blows. The offense of appointing 10 officials in excess of the prescribed number will be liable to 2 years' imprisonment." (elucidative notes to the "Law of the Tang Dynasty," "Laws Governing Breaches of Official Duties," vol 9) These legal regulations compelled people to refrain from appointing excessive numbers of officials and to be careful in selecting officials. They constituted a powerful guarantee for the fulfillment of the task of streamlining the government structure.

When Liu Linfu was appointed vice minister of the Ministry of Official Personnel Affairs in the first year of the Zhenguan Period, he readjusted the system of selecting officials and led the work of selecting officials onto a healthy path. All the officials who had been appointed under blank letters of employment by the various prefectural chief officials or imperial commissioners "were dismissed from their posts and ordered to go to the capital for a reselection. A total of 7,000 of them came to the capital and Linfu examined their abilities and performances, and selected and appointed them accordingly. As a result, every one of them was properly dealt with and Linfu became renown." (Sima Guang: "Comprehensive Mirror for Aid in Government," vol 192, chapter 8: "History of the Tang Dynasty": "Emperor Taizhong" -- "The First Year of the Zhenguan Period") At the beginning of the Zhenguan Period, a strict regulation was made to govern the work of checking on officials. The regulation provided that, "every year two high-ranking central officials will be empowered to examine and verify the work of assessing officials. One of them will be responsible for checking the work of assessing central officials and the other will be responsible for checking the work of assessing local officials. Their work will be guided by one geishizhong [an imperial adviser of the Menxia Sheng] and one zhongshu sheren [an important official of the Zhongshu Sheng] and they will be granted the titles of commissioners to supervise assessment of central and local officials. The senior secretaries in the department of scrutiny are responsible for assessing central officials and their subordinate secretaries are responsible for assessing local officials. Later, there were frequent appointments of official assessment supervisors, official assessment inspectors and commissioners to guide the work of official assessment." ("A New Book of Tang History," "Official System," vol 46) Because of the perfection of the system of selecting officials and the intensification of the work of assessing officials, during the Zhenguan Period, nearly "all the official posts were filled with good people" and there was good governing and few cases of corruption.

At the beginning of the Zhenguan Period, Emperor Taizhong had a definite aim, clear guideline and resolute will in streamlining the government structure. He adopted practical measures and indeed achieved very good results.

In the second year of the Jingyun Period, Zuobuque [title of an official in the Menxia Sheng who was responsible for criticizing and remonstrating with the emperor and recommending official candidates] Xin Tipi addressed to Emperor Ruizhong his "remonstrance on current affairs," in which he said, "Emperor Taizhong, your imperial grandfather knew well the system of the best government. He adopted measures to streamline the government structure and dismissed all redundant officials. As a result, none of the official posts were nominal ones and none of the revenue of the state was wasted in paying salaries to redundant officials." ("The Development of Tang Government," "Officials Responsible for Criticizing and Remonstrating With the Emperor," vol 56) To put it in a nutshell, Emperor Taizhong's major achievement was that: First, he "dismissed all redundant officials." This was precisely because he conscientiously did a good job of the work of "selecting and appointing people possessing talent and virtue" and achieved the result of "all the official posts being filled with competent people." Second, "none of the revenue of the state was wasted in paying salaries to redundant officials." This was because by streamlining the government structure, he dismissed redundant officials and achieved the result of reducing the financial expenditure of the state.

Emperor Taizhong's streamlining of the government structure was indeed a brilliant success in feudal China. However, streamlining of the government structure was not something that could be achieved by a single stroke. It had to become routine work to which constant attention had to be devoted. After Emperor Taizhong had consolidated his reign, he began to neglect the work of streamlining the government structure. In the 11th year of the Zhenguan Period, Liu Ji pointed out the recurrence of the serious problem in the government structure in a remonstrance that he addressed to the emperor. He said, "Recently, law and discipline has been exercised in a lax manner. One of the reasons is that important official posts have been filled with imperial relatives and with persons who have rendered outstanding service. These people are not suitable for their posts and have abused the power of their offices. Even if appointing officials in an unjust manner is aimed at making the country prosperous, we should first of all, take into account the public resentment it may possibly arouse." Liu Ji thought that these people who unjustly occupied high posts "have prevented us for a long time from supplanting them with talented and virtuous people. This is a matter we should remedy immediately." Therefore, he proposed, "for imperial relations and those who performed meritorious service in the past, they should only receive nobility titles and bounteous annuities. Some of these officials are feeble-minded owing to senility or prolonged diseases. There is no good reason for them to retain their positions. The sooner they are retired, the better." ("Important Aspects of Government During the Zhenguan Period," "Selection of Officials," vol 3) These words meant that imperial relatives, people who had rendered outstanding service and officials who were weak owing to old age and sickness and were unable to do any practical work were to be retired on generous pensions and thus be provided the means to enjoy comfortable and luxurious lives. But Liu Ji's proposal was not accepted by Emperor Taizhong. This was enough to show that though Emperor Taizhong had once vigorously and effectively streamlined the government structure, he failed to persist in so doing owing to his historical limitations.

IMPORTANCE OF UPCOMING NATIONAL CENSUS VIEWED

RENNMIN RIBAO Editorial

OW040438 Beijing XINHUA Domestic Service in Chinese 1617 GMT 3 Mar 82

[Text] Beijing, 3 Mar (XINHUA) -- The following is the text of a 4 March RENNMIN RIBAO editorial: "Accomplish the National Census Task Through High Quality Work."

The national census is an important means of assessing China's conditions and strength.

In his government work report delivered at the Fourth Session of the Fifth NPC, Premier Zhao Ziyang pointed out: To achieve the steady advance and sound growth of the national economy, we must thoroughly change the conventional methods evolved over the years under the influence of the "left" ideology and, proceeding from the actual conditions in China, blaze a new trail characterized by a fairly steady tempo and better economic results, yielding more substantial benefits to the people. For this purpose, it is necessary to have a fairly comprehensive and detailed understanding of China's national conditions.

National conditions refers to many things. Man is the principal part of a society. Man establishes relations of social production and creates and consumes material wealth. The distribution, sex, age, nationality structure, education level, trades, professions and other elements of the population constitute the most basic conditions of a country. To carry out planned socialist modernization, make adequate arrangements for the people's material and cultural life and draw up a feasible population policy and plan, we must first thoroughly investigate our population conditions. Eighteen years have passed since the second national census was taken in 1964. The third national census is truly an urgent need for our socialist construction.

The national census must be highly accurate. The heart of the CCP Central Committee and State Council instruction is the demand for a quality census. In other words, it requires that the census must be conducted in a way that guarantees the accuracy of the data.

In a vast country like China, with its huge population, inferior transportation and telecommunications conditions and inadequate experience in the use of computers, it is not an easy job to guarantee census quality and ensure a high degree of accuracy in data collection and presentation. Party committees and governments at all levels must seriously implement the guidelines of the CCP Central Committee and State Council instruction, fully bring into play the superiority of the socialist system, mobilize and rely on the vast numbers of cadres and masses and earnestly strengthen their leadership over the national census in accordance with its arrangements and requirements. They must draw up well-conceived plans, assume responsibility at each level, tighten quality control and successfully carry out organizational and technical work from beginning to end.

The accuracy of the national census also depends on the common efforts of the million personnel engaging in census taking, coding and recording. People's governments and census offices at all levels should conscientiously do a good job in personnel selection and training.

The national census concerns every family and household and requires the active cooperation and support of people of all nationalities in our country. It is necessary to use various propaganda means and methods to carry out an extensive, profound propaganda and educational drive to familiarize the broad masses with the significance, content and requirements of the national census. After they realize these things, they will report enthusiastically and truthfully, which will guarantee the reliability of the census data.

To obtain accurate population data, we must firmly implement the "measures for the third national census" promulgated by the State Council. These measures, which were adopted in accordance with the CCP Central Committee and State Council instruction and which have been tried out in selected localities, suit China's conditions and serve as our statute and foundation for our national census. In a national census as large in scale as our present one, it is necessary for the whole country to strictly abide by this uniform statute. Only by so doing can we avoid or reduce omissions, duplication and errors and collect accurate population data.

Only 4 months are left between now and the formal nationwide census registration. Our tasks are arduous and time is pressing. We must resolutely implement the CCP Central Committee and State Council instruction, step up preparations, fulfill the tasks step by step and guarantee a high standard and quality in accomplishing the third national census.

Census Directive

OW041121 Beijing XINHUA Domestic Service in Chinese 1603 GMT 3 Mar 82

[Text] Beijing, 3 Mar (XINHUA) -- Directive of the CCP Central Committee and the State Council on doing a conscientious job in taking the third national census. (28 February 1982)

Census taking is an important job of checking up on the national conditions and the national strength. Accurately keeping ourselves informed of the population distribution and composition in our country is of great importance in pursuing socialist modernization more effectively, in making arrangements for the people's material and cultural life and in drawing up population policy and planning in light of our country's actual conditions. To this end, the CCP Central Committee and the State Council decided in June of 1980 that the third national census would be taken on 1 July 1982. For the past year or more, various departments of provinces, municipalities and the autonomous regions have done a great deal of preparatory work through concerted efforts and achieved success. The State Council has approved and promulgated the "measures governing the third national census." The following instructions are especially given for accomplishing this census taking with excellent results:

1. Party committees and the people's governments at all levels should earnestly strengthen leadership. The census must be carried out under the unified leadership of the party committees and the people's governments at all levels. Formal census registration is now only four months away. Party committees and the people's governments at all levels should inspect the progress of preparatory work in all respects and earnestly tackle problems in actual work; special attention should be directed toward selecting and assigning capable cadres and toward setting up and perfecting census-taking organs at all levels. The people's governments at all levels should, based on general planning and the demands of the national census, make careful arrangements and carry out their work well in all spheres, while concentrating their efforts on improving the accuracy of population data. Starting from the later part of June, efforts should be made within that half of the month or so to include the census as the central task and see to it that both census taking and industrial and agricultural production will not be delayed. After census registration is completed, steps should also be taken to present itemized reports to the higher level. Quality must be ensured in all aspects of this work. If a certain aspect of work fails to reach the prescribed quality standards, it should be rejected and the person responsible for it asked to redo it.

2. The propaganda departments of party committees at all levels should make unified arrangements for giving publicity to the census and carry out propaganda in a widespread, deepgoing way to arouse the people. Trade unions, CYL organizations, women's associations and other mass organizations should take the initiative in coordinating the work of publicizing the significance, contents and demands of census taking by employing all propaganda means -- and in various forms -- that the people love to see and hear so as to make it known to every household and everyone in order to win the active support of the people of all nationalities throughout the country. The propaganda work should begin now, step-by-step and the month of June should be designated as census-taking propaganda month in order to start an upsurge.

Party members, CYL members and cadres at all levels should set an example, exemplarily implement the measures governing the census and carry out propaganda directed toward the people around them.

3. Conscientious efforts should be made to select, assign and train census-taking personnel. Census taking is extremely complicated and painstaking work requiring the expeditious organization of several million people including the contingent of personnel engaged in the census, coding and recording before it can be carried out smoothly. It is an arduous task to organize and train this contingent well and within a short period of time. The people's governments at all levels must select, assign and train all categories of census-taking personnel in compliance with the "measures governing the third national census." Units from which personnel are selected and assigned should ensure that qualified personnel are transferred to take part in the census. This should be treated as a political task.

4. Thrift should be practiced in the census. Funds for the census should be carefully calculated, budgeted and derived by practicing strict economy on the premise of ensuring the fulfillment of the census-taking task. With regard to census-taking funds, besides the portion allocated by the Ministry of Finance, deficiencies should be taken care of by making use of local financial resources. Planning, commercial, supply, communications and electric power departments should ensure the material conditions essential to census-taking.

Ours is the most populous country in the world. In light of Chinese history, census-taking in such a large country of one billion people is unprecedented in scale. Our work is not only a matter of interest to the people throughout the country but also the focus of attention of the people throughout the world. Party committees and the people's governments at all levels must pay special attention, strengthen leadership and carry out their work in all spheres well and in a planned and systematic manner by imposing high standards and strict demands so as to triumphantly fulfill the task of the third national census.

Further on Directive

OW041353 Beijing XINHUA in English 1218 GMT 4 Mar 82

[Text] Beijing, March 4 (XINHUA) -- The State Council has issued regulations for the upcoming nationwide census which will begin at zero hour on July 1 this year and be completed by July 10.

The 28-clause document says that the persons to be counted in the census are nationals of China whose residence is in the country. The basic unit for registration is the household. Single persons who have no family members and reside in dormitories, schools, factories, kindergartens, old folks' homes, religious institutions and other units will be reported by the unit as a collective household. Registration will be recorded at the place of residence and each person may register in only one place.

The census questionnaire has 19 items, 13 of which are personal, such as name, age, sex, marital status and place of employment and six have to do with the household.

Workers in Chinese embassies and consulates abroad and other experts who are staff members of state organs will be reported by the units that sent them abroad. Undergraduate and postgraduate students studying abroad, financed either by the state or privately, will be registered by their families.

Members of the People's Liberation Army, wherever they are stationed, will be registered by the military authorities. Policemen, whether they are in active service or not, will be registered by their local public security bureaus. Inmates in prisons and jails will be registered by the public security bureaus.

The document states that the population of Taiwan, Penghu, Jinmen and Mazu Islands will be determined from the data announced by the Taiwan authorities.

Trained registrants will take the census by going from household to household, person by person. Heads of households may also go to registration stations to do it.

The census is being taken under the authority of the State Council and carried out by the census offices of the local governments. Such offices will be set up in rural production brigades and neighborhood committees in cities and towns.

The document says the major population figures should be reported to the State Council by the census office under the State Council by the end of September, 1982. The complete results of the census gathered in the questionnaires will be processed by computer, reported to the State Council and announced at a later date.

Items for Registration

OW041425 Beijing XINHUA Domestic Service in Chinese 0123 GMT 4 Mar 82

[Text] Beijing, 4 Mar (XINHUA) -- "Measures governing the third national census" as promulgated by the State Council stipulated that 19 items are to be registered.

Items to be registered concerning the individual are as follows: 1) name; 2) relation to head of household; 3) sex; 4) age; 5) nationality [min zu 3046 2469]; 6) status of household residents (whether the residents have registered their residence locally); 7) cultural level; 8) trade [hang ye 5887 2814]; 9) profession; 10) indicate student, housewife, retiree, etc. and unemployed; 11) marital status; 12) number of children, including number living at present; 13) babies born to child-bearing age women in 1981.

Items to be registered concerning the household are as follows: 1) classification of household (family household or collective household); 2) household address; 3) number of members in household; 4) number of persons born in household in 1981; 5) number of persons who died in household in 1981; 6) number of permanent residents who have left locality for over one year.

Residential Registration

OW050130 Beijing XINHUA Domestic Service in Chinese 0130 GMT 4 Mar 82

[Text] Beijing, 4 Mar (XINHUA) -- The "measures governing the third national census" stipulate that the census should be taken according to the principle of having people register themselves at their respective places of residence. Each person should register himself at the place of residence and each person may register in only one place. On the basis of the census measures, those who should register themselves for the census in their own country or city are as follows:

1. Those who reside in the county or city and have their households registered in such country or city.
2. Those who have resided in the country or city for more than a year, but their places of residence are in other localities.
3. Those who have resided in the county or city for less than a year, but have left their registered places of residence for more than a year.
4. Those who reside in the county or city at the time of census, but their places of residence are to be determined. (They are persons who have no household registration anywhere.)
5. Those who had originally resided in the county or city, but are working or studying abroad at the time of the census. Thus, they temporarily have no place of residence.

The census measures also stipulate that those who have established residence in a county or city, but have left for more than a year, should not be included in the population figures in such county or city, although they have regarded such county or city as their place of residence. Such an event should be recorded in the remarks column in the census questionnaire.

Time for Registration

OW041431 Beijing XINHUA Domestic Service in Chinese 0126 GMT 4 Mar 82

[Text] Beijing, 4 Mar (XINHUA) -- The State Council has officially stipulated that the standard time for registration of the third national census falls at 0000 hours [1600 GMT] on 1 July 1982 (or 2400 on 30 June).

"Measures governing the third national census" stipulate: "People who die within the period between 0000 on 1 July 1982 and the actual registration time must be registered while those born within the period must not be registered. People who have moved their residence within the aforementioned period must register for the census in their original locality."

The "census measures" also stipulate: "To ensure that all people who are moving to other counties or cities are registered, permanent households moving within a half month prior to the census standard time (from 16 June to 30 June) must register in their original locality and not in their new locality."

HONGQI: LEADING CADRES MUST TAKE LEAD IN STUDY

HK040724 Beijing HONGQI in Chinese No 4 16 Feb 82 p 31

[Commentator's article: "Leading Cadres Must Take the Lead in Study"]

[Text] Our leading cadres at all levels shoulder the heavy task of guiding the modernization drive and conducting ideological and political work for the cadres and masses. Compared with ordinary cadres, it is therefore all the more important that leading cadres study Marxist theory. In recent years, as advocated by the central authorities, many cadres have studied theory afresh, and the atmosphere of serious reading of books and study of problems by the leadership groups has started to become pronounced. This is very good to see. However, many leading cadres are still in a state of "studying in a perfunctory way on account of being busy with work all the time." This trend of the failure to attach importance to theoretical study is not at all commensurate with the duties and responsibilities of a leader. It must be changed.

Certain leading comrades are content with just reading party documents; they reckon that it will be all right so long as they act according to the documents and that there is no need for theoretical study. It is essential to read the documents and understand the party's various principles and policies in order to do a good job in leadership work. However, this cannot take the place of theoretical study. All the correct principles and policies set down or expressed in the documents have Marxism-Leninism-Mao Zedong Thought as their theoretical basis. If one lacks theoretical knowledge and accomplishment, one is prone to lack a deep and penetrating understanding of the party's principles and policies, and just know that things are so without knowing the reason why. In these circumstances, it is difficult to carry out the principles and policies correctly, and one might even waver in work. Generally speaking, documents can only give work guidance in principle; in order to truly do a good job in work in one's area or department, it is necessary to apply the stand, viewpoint and method of Marxism-Leninism-Mao Zedong Thought to analyze the actual situation and solve the actual problems. Comrade Liu Shaoqi pointed out, if a leader lacks knowledge of Marxist theory, he cannot independently decide on the orientation. He held cadre of this type "are not competent cadre." These words are still worth pondering deeply.

Some comrades do not attach importance to theoretical study because they feel that they have their own experiences. Experiences are very valuable, but without theoretical guidance it is not possible to sum them up very well and to analyze which of one's experiences are correct and which incorrect, to enable one to continually enhance ideological awareness. Moreover, as the objective situation is constantly developing, and new situations and problems are ceaselessly cropping up, if one is satisfied with one's previous experiences and makes no effort to study theory or master the laws for economic construction and other work, so as to avoid narrow-mindedness and one-sidedness in understanding, one may make mistakes in work in addition to being unable to do leadership work well.

The main reason why certain leading cadres study very little is because they are busy with work. It is a fact that many cadres are busy. However, in order to produce practical and effective results from being busy, it is essential to be good at "snatching a little leisure from a busy life" and persist in study. Even the numbers one and two men, whose work is the busiest, can still set aside some time for study if they improve their work methods a bit and cut out some unnecessary meetings.

Naturally it is necessary to spend some time on study, but with one's standard of theory genuinely enhanced, one will greatly reduce blind actions, heighten awareness, improve efficiency, embark on fewer tortuous roads and end up actually saving some time. An old saying fits the case: Sharpening the knife does not interfere with cutting up the firewood.

For leading cadres to take the lead in studying theory is beneficial for promoting theoretical study by all the cadres as well as helping themselves to do a good job in work. Only if the principal leaders in a unit attach importance to theoretical study and are accustomed to studying well, thinking deeply and mastering theory can they lead the cadres forward, form a pronounced study atmosphere, and do well in promoting and implementing organizational and theoretical guidance work for cadres' theoretical study. A 1964 Central Committee document on organizing high-ranking cadres to study the works of Marx, Engels, Lenin and Stalin pointed out: In reading books, it is necessary to advocate the airing of views, writing of notes and feelings, and the writing of an article on every book one reads. We should advocate this point afresh today. In the past many leading cadres not only took the lead in study; where possible they also provided guidance for the cadres' study by delivering reports and answered the questions they raised in the course of their study. We should also revive and carry forward this good tradition.

RENMIN RIBAO ON PRODUCTION RESPONSIBILITY SYSTEM

HK020630 Beijing RENMIN RIBAO in Chinese 23 Feb 82 p 5

[Article by Dai Qingqi [2071 3237 4388] and Yu Zhan [0151 1455]: "Study Comrade Deng Zihui's Viewpoint on the Agricultural Production Responsibility System"]

[Text] The "Resolution on Certain Questions in the History of the Party Since the Founding of the People's Republic of China" has affirmed the viewpoint put forward by Comrade Deng Zihui on the need to introduce the production responsibility system in agriculture as one of the important experiences acquired in the 10 years since our party started overall socialist construction. This affirmation is a just conclusion about Deng Zihui's viewpoint, which was once erroneously criticized. It is also of great realistic significance in our current effort to improve and round out various versions of the production responsibility system.

Consistent Support for the Introduction of the Agricultural Production Responsibility System

The introduction of a strict production responsibility system in the agricultural collective economy was consistently advocated by Deng Zihui. From the early 1950's when our country's agricultural collective economy was first introduced, to the early 1960's when Deng Zihui was accused of "energetically promoting the system of fixing farm output quotas for each household," he put forward on three successive occasions the viewpoint of introducing the production responsibility system. In early 1954, under the impetus of the party Central Committee's resolution on the development of agricultural producers' cooperatives, the campaign for the establishment of cooperatives developed vigorously. How to establish and perfect a production management system for the newly established agricultural cooperatives was at that time a problem calling for immediate solution. At the second national rural work conference called in April that year and at the fourth national conference on mutual aid and cooperation held in October, he first put forward the idea of introducing a production responsibility system based on the demands of the agricultural collective economy. At that time, the version of the responsibility system suggested by him was chiefly "a system of contracting for a given job and for a fixed output quota." This meant that based on whether the plot was nearby or far away and on whether the quality of soil was good or bad, a fixed production quota was assigned to a production group or production team with both quality and quantity specifications. The group or team was held responsible if output fell below the quota or was rewarded if output exceeded it. He considered that this system of contracting for a given job and for a fixed output quota was important in properly handling the collective economy.

After the realization of agricultural cooperativization throughout the country, many advanced cooperatives witnessed chaos in production management to different degrees. This was extremely harmful to the consolidation of cooperatives. Under these circumstances, he once again stressed that we had to establish and perfect a production responsibility system. In June 1956, at the Third Session of the First National People's Congress, he pointed out: "It is a great revolution to switch from the individual economy to the collective economy and from small production to mass production. Without overall planned management, without actual division of labor and without a proper system of management in fixing quotas, we cannot possibly do a good job." Therefore, he thought that for advanced cooperatives, "the practice of contracting for a given job and for a fixed quota must be followed." "If this is not taken care of properly, we cannot achieve good results in handling collective operations, nor is there hope for handling such operations well." At the third plenary session of the eighth party Central Committee and the fourth national rural work conference in 1957, Deng Zihui elaborated on the need to introduce the "three-contract and one-award" system of contracting for a given job, for a production quota and for required funds and giving awards for production surpassing a quota and matching reduced production with fewer workpoints. At that time, the introduction of the "three-contract and one-award" system helped greatly in improving the management and operation of advanced cooperatives.

However, not long afterward, the campaign for the establishment of people's communes, which was launched recklessly, proved to be the ruin of various versions of the production responsibility system then introduced for advanced cooperatives. The masses of peasants' enthusiasm for production was greatly dampened. To consolidate the collective economy and develop agricultural production, Deng Zihui, from 1960 to 1962, successively led work groups to over 10 provinces and regions, including Shanxi, Hebei, Guangxi, Fujian, Heilongjiang, and so forth, to make extensive investigations. With an eye to the harmful effects of leftist mistakes on rural work, he once again stressed his viewpoint about the need to strictly follow a production responsibility system. He pointed out that egalitarianism and chaos existing in management and administration were the main causes of a drop in agricultural productivity in our country at that time. The introduction of a production responsibility system helped in overcoming the mistake of "sharing equally from the same rice pot." This was an important measure to arouse peasants' production enthusiasm and a fundamental part of the effort to properly handle collective production and consolidate the system of collective ownership.

Comrade Deng Zihui's call for the introduction of a production responsibility system was prompted by the features marking the level of development of our agricultural productive forces and agricultural production. It was also aimed at countering the evil of egalitarianism appearing in the agricultural collective economy. He repeatedly stressed this viewpoint while continuously searching for ways of organizing labor and reckoning remuneration that were compatible with the level of development of our agricultural production and the level of consciousness of the masses. This was to help in improving management and administration and consolidating the collective economy in order to stimulate the development of agricultural production. At present, this is also the starting point and the end result of our current effort to improve and round out various versions of the production responsibility system.

A View of Realistic Significance

Deng Zihui's exposition on how to establish and improve the agricultural production responsibility system is varied in content, including a wealth of useful experiences in agricultural management. It is still of great importance for use as a reference.

1. In carrying out the agricultural production responsibility system, we must take the production team as the mainstay with the introduction of both unified control and the contract system. Deng Zihui believed that "in establishing and improving a production management system geared to the features of agricultural production," we must, under the unified control and management of the production team, adopt the method of concluding contracts. Because "agriculture was an operation in the open field and a manual operation with long periods of time required to get results, 'contracts' must be concluded in agricultural production."

"Without 'contracts,' a production responsibility system cannot be established." In September 1957, in the "Instructions on Proper Production Management Concerning Agricultural Cooperatives," drafted on behalf of the party Central Committee at his suggestion, Deng Zihui had this to say: "The cooperative is a socialist collective economic organization that must be subjected to unified management and centralized leadership. But given the scattered nature of agricultural production and the limitations of natural conditions and thus the great influence of regional and seasonal factors, in addition to such features as the current agricultural production being mainly a manual operation, and so forth, a degree of flexibility and mobility in production management must also be maintained. Correctly combining unified management of cooperatives and centralized leadership with the development of the initiative and flexibility of the production team in production management is thus a basic principle in guiding the production management work of cooperatives." This basic principle was based on a penetrating analysis of the concrete conditions of our agriculture and the then prevailing level of productivity. Centralization and flexibility or mobility are called for here, as far as the relations between the commune and the brigade are concerned. But this is also of realistic significance in our current effort to perfect the production responsibility, and correctly handle the relations between unified control and a contract system and between the collective and the individual. That is, we must insist on the unified control of the production team, but such control must not be too rigid and must be tempered with mobility and flexibility. We should aim at both unified control and a contract system, so that the two can be properly combined, giving full play at the same time to enthusiasm displayed for collective operations under unified control and individual operations.

2. In selecting the version of the responsibility system, we must take reality into consideration and avoid "following the same fixed pattern." Deng Zihui suggested that in introducing the agricultural production responsibility system, we must bear different regional features and different agricultural crops in mind, adapting ourselves to the level of economic development in a given rural area and satisfying the desire of the great majority of people. In a speech at the fourth national rural work conference in September 1957, he proposed, with the features of agricultural production in mind, three principles that must be followed in production management: "1) We must take regional and seasonal factors into consideration; 2) study the history of development of agricultural production concerning a given area and avoid ignoring history; 3) rely upon the peasants' initiative and creativity." We must "oppose the practice of mechanically borrowing others' experience." This spirit permeates the viewpoint on the responsibility system put forward by Deng Zihui.

3. In introducing the production responsibility system, cadres must work with enthusiasm and strengthen leadership. Deng Zihui said that in establishing and perfecting the responsibility system and properly handling various ways of concluding contracts, "We must have experienced and responsible team heads in charge." He consistently called for cadres to study the experience of organizing and guiding production and to raise their level of management and administration. As early as 1954, he urged cadres to study the problem of the agricultural production responsibility system. He said: "In organizing labor, we must study the contract system." We should penetratingly study which version of a production responsibility system is a success and which is a failure. In this way, we could gain experience and become pros. We would never remain greenhorns helpless in leading the masses forward.

Cadres at various levels, especially those at the commune and brigade levels, play an important role in introducing the production responsibility system. Energetically exercising leadership or giving up leadership, or even resigning ourselves to a state of "watching on the sidelines" can bring entirely different results. Deng Zihui always taught us that our cadres must dare to exercise leadership and do so skillfully. He was against that kind of attitude adopted by "leaders who refrain from energetically exercising leadership and from conducting persuasive education and who instead let people act freely without leadership." A point worth noting is that in our current effort to introduce the production responsibility system, some of our cadres do not correctly combine respect for the masses' freedom of choice with strengthened leadership.

Instead, they adopt an attitude of imposing orders and letting things drift as they like. In some areas, some people have acted against the party's general and specific policies, sabotaging collective property and damaging machinery, irrigation facilities, and so forth. Such a wrong practice is inseparable from ineffective leadership or a devil-may-care attitude on the part of certain cadres. This is an important problem that should arouse serious attention. A realistic solution must be sought.

We Must Adhere to Important Principles

Will the introduction of various versions of the production responsibility system, especially the one that holds individuals and households responsible by linking output with remuneration, change the form of collective ownership of the means of production and cause a departure from the socialist orbit? This is a problem that has been the concern and worry of certain people. It is one on which views have so far differed. In the debate in 1962, Deng Zihui voiced his viewpoint many times. At the central work conference called in August that year, he pointed out: "Without interfering with ownership, a responsibility system based on output is practicable." He said that "it is not a case of all the means of production being owned by the collective but one of the means of production being chiefly owned by the collective." This was especially true of land ownership, because this represented "the lifeline of the peasants." Here, he put forward an important principle: Any version of a production responsibility system is an improvement in the way of organizing labor and reckoning remuneration and a reform in the methods of operation. It cannot be a change in collective ownership of the fundamental means of production. If we uphold collective ownership of the fundamental means of production, we will not end up following the capitalist road.

In the "Views on certain policies concerning the existing rural people's communes" presented to the party Central Committee in May 1962, Deng Zihui further elaborated on the reasons why more freedom for the peasants in operating under conditions where the collective economy is maintained as the mainstay of the rural social system would not result in a departure from the socialist orbit. He wrote: "The danger of production on an individual basis lies in the individual economy being taken as the main social system, thus causing exploitation, class disintegration and ultimately a switchover to the capitalist road. If we can maintain the collective economy as the mainstay of the rural social system and if we also have political power under our control and have the backbone components of the economy such as industry, communications and transportation, financial and trade enterprises, and so forth, put under the system of ownership by the whole people, we can well give commune members a little freedom in handling some small privately-owned operations. This will only bring us benefits." These enlightening and clear-cut viewpoints put forward at that time could not be more valuable.

Concretely speaking, the various versions of the production responsibility system at present are attempts to give producers more freedom in their operations and the right to control the results of labor, thus allowing a better combination of responsibility, power and profit. Though different in form, all versions of the production responsibility system involve the collective economy of socialist agriculture. As far as the version calling for giving fixed work quotas for households is concerned, though basically a matter of separate households working on their own and being held responsible for profits and losses, it is based on land and other fundamental means of production being collectively owned. The maintenance of contract relations between peasant households and collectives is under unified collective control and under the guidance of state plans. This also allows the accumulation of public funds and attention to collective welfare. Fundamental agricultural construction is further carried out under unified plans. Therefore, it is not a matter of working the fields separately on an individual basis. At present, in improving and perfecting the responsibility system, we should realistically maintain collective ownership of the fundamental means of production and better ensure harmony and unity between ownership of land and the right to manage it.

In our countryside, collective ownership of land and other fundamental means of production has been put on a permanent basis. That the collective economy must be matched with a production responsibility system is also a permanent and fixed arrangement. These two permanent "changeless" arrangements are in line with the viewpoint then put forward by Comrade Deng Zihui that in introducing the production responsibility system, collective ownership of the fundamental means of production cannot be changed.

In sum, facts have fully shown that Comrade Deng Zihui's viewpoint on the need to introduce the production responsibility system in agriculture is not what is called "a right-leaning viewpoint" or "an idea of working on one's own." Instead, it is a correct idea stressing that the method of operating and managing agricultural cooperatives must be in line with the rural economic conditions of our country at its current stage and in line with the administrative level of cadres and the level of mass consciousness. The advancement and development of this viewpoint has added to our party's treasure trove of experiences in guiding socialist rural economic construction.

SHAANXI RIBAO DISCUSSES PLANNED ECONOMY

HK050805 Xian SHAANXI RIBAO in Chinese 24 Feb 82 p 3

[Article by Yu Qing [0060 7230]: "There Can Be No Socialism Without Planned Economy"]

[Text] In discussing experience in socialist construction, the "Resolution on Certain Questions in the History of Our Party Since the Founding of the People's Republic of China" pointed out: "It is necessary to have planned economy and at the same time give play to the supplementary, regulatory role of the market on the basis of public ownership. We must strive to promote commodity production and exchange on a socialist basis." We know that the necessity of allocating social labor according to certain proportions is different from planned allocation of social labor; the former can be found in any form of society, but the latter only in a society in which the means of production are owned by the whole people. Writing on this, Engels pointed out: "Once the society takes possession of the means of production...anarchism in social production will be replaced by planned, conscious organization." ("Selected Works of Marx and Engels," vol 3, p 323) Lenin also pointed out: "Socialism is inconceivable without a planned state organization, which directs tens of millions of people to observe most strictly a unified standard in production and distribution." ("Selected Works of Lenin," vol 3, p 545) Thus, it proves that a major sign for distinguishing socialism from capitalism is planned economy. There can be no socialism without planned economy. Planned economy, in the first place, refers to a kind of economic system, a system based on public ownership of the means of production. Planned economy cannot be interpreted merely as a kind of method for governing economy; neither should it simply be taken as a means of regulating. Engels stated: "Once the proletariat seizes social power, it will use this power to turn the social means of production taken from the bourgeoisie into the assets of the whole society. By so doing, the proletariat will free the means of production from its previous interpretation as capital, giving full freedom of development to its social function. Hence, it becomes possible to carry out social production in accordance with a predetermined plan." ("Anti-Duhring") Thus, it can be seen that public ownership of the means of production is the prerequisite for planned economy; there can be no socialist planned economy without this prerequisite.

Second, planned economy means developing the whole social economy by plans; this is categorically different from making plans for a certain sector of social economy. In capitalist society, certain capitalists may work out a relatively detailed plan for their management of production, but they can hardly know the production and needs of the whole society, let alone control them. Thus, the whole society is still in a state of anarchism. Under the circumstances of carrying out large-scale production for the whole society, if there are economic plans for only some economic branches, but not for the whole nation, this does not mean economic planning, to say nothing of planned economy.

In present-day capitalist countries, economy is usually interfered with and readjusted by means of budgets, credits, nationalization and military purchases, or by mapping out various economic policies. All this does play a certain role in the development of capitalist economy, but it serves to benefit the bourgeoisie. It has nothing to do with planned economy. Rather, it is the product of the fact that capitalist production does need planned economy objectively, but actually cannot have it. Therefore, state intervention in the economy in the capitalist countries and planned economy are basically different in nature.

Recently, Comrade Chen Yu pointed out that we must still take planned economy as the leading factor in national construction. For a period of time, some comrades advocated that the state-owned enterprises must be transformed into pure economic units which do economic accounting independently and are responsible for both profits and losses. They took commodity exchange as the sole form of economic transactions and they downgraded the role and nature of planning to the level of forecasting and serving as reference only. Thus, planning has no binding or compulsory force. In fact, all these assumptions are nothing but the principles of market economy. If these assumptions came true, our society would become a market economy. The basic socialist economic law and the law of planned development would all but disappear. Therefore, we should not waver in implementing the principles of planned economy at any time. Particularly now, with the implementation of the production responsibility system in the rural areas, we should pay more attention to the guidance given by state plans and should not diverge from state plans, and pursue the so-called freedom which benefits us only for awhile. This will harm not only the overall state interests, but the peasants' long-term interests as well. In short, peasants can only act within the bounds of state policies and plans.

Lenin pointed out emphatically: "Only large-scale, planned construction, which aims at evenly utilizing economic and business values, deserves to be called socialist." ("Collected Works of Lenin," vol 28, p 18) Obviously, for building socialism, the whole society should have an unified plan to regulate the proportions of the various branches of the national economy and guide the orientation for developing the national economy. Otherwise, it is impossible to closely combine the local tasks of economic development with the national ones and combine the present tasks with the future ones, and it is impossible to concentrate manpower, material and financial resources according to certain proportions within a certain period of time so as to ensure the construction of some major projects and development of some key departments. Of course, this does not mean that we will go back again to the old conventional pattern. What we should understand and do correctly is to give full play to the supplementary, regulatory role of the market, with the prerequisite of adhering to planned economy. In this case, attention must be given to avoid two tendencies which used to appear in the past. The first tendency is that whenever stress is put on planned economy, we are liable to simply think that mandatory, planned targets must come from higher-ups. It seems that every economic unit should do all its business according to the mandates from higher authorities. This is wrong. The other tendency is that whenever stress is put on practicing economy in a flexible way, we are liable to blame the errors of the "left" guiding thought and its practices on the shortcomings of planned economy, advocating that all mandatory plans must be discarded and entirely replaced by flexible plans or guidelines. This is also wrong.

It must be noted that planned economy differs from the mandatory, planned targets from higher authorities. The planned economy is an economic system, and the mandatory targets from higher authorities are a concrete method of materializing this economic system. The two things should never be confused. A method can be altered in line with the changing economic situation. Our country's current planning system of having mandatory, planned targets come from higher authorities is unfavorable to making full use of market mechanism and the law of value and unfavorable to enhancing the enthusiasm and initiative of localities and enterprises. It must be reformed.

In his "Report on the Work of the Government" delivered at the Fourth Session of the Fifth NPC, Premier Zhao Ziyang gave his views on the economic management system which is going to be set up.

Generally speaking, there are four different types of management methods to be adopted: In the first type, production is organized under state plans which are mandatory in nature. In the second type, production is organized according to changing market conditions and within the limits permitted by the state. Between these two, there are two other types. In one, the major part of production comes under state planning, with the rest organized according to the enterprises' own decisions. In the other, a principal part of production is organized by the enterprises according to changing market conditions, with the remainder coming under state planning. This entire system of management differs from our previous system of rigid control and differs still more from the capitalist market economy. Combining unified and centralized leadership of the state with the enterprises' initiative will ensure both flexible control and orderly and lively activity with better economic results and enable us to speed up building the four modernizations.

PLANTING UNDER GUIDANCE OF STATE PLAN URGED

OW051055 Nanjing XINHUA RIBAO in Chinese 22 Feb 82 p 1

[Editorial: "Persistently Carry Out Planting in Line With Local Conditions and Under the Guidance of the State Plan"]

[Text] The matter of properly handling the relationship between the state plan and the requirement for carrying out planting in line with local conditions during spring sowing and after various forms of responsibility are adopted by the production teams is related to economic construction policies. There must be clear-cut guidelines for this matter.

Farm crops are living plants. Each has its specific, native characteristics. They should be planted according to local conditions. Demanding uniformity in their planting will not make them grow. We have learned many bitter lessons in this. In planning spring sowing, we must respect the laws of nature, proceed from realities, adapt measures to local conditions and carry out reasonable planning in line with these conditions. This is a principle of scientific farming and one of the rights of production teams.

However, carrying out planting in line with local conditions does not mean free planting. First, our national economy should grow in a planned and proportional way. Agriculture should be guided by the state plan, for it is the foundation of our national economy. Second, the components of our agricultural economy should develop in a coordinated manner. The conditions in our province show that as far as some crops -- such as food grain -- are concerned, the more we plant the better. Some other items should be produced in a balanced way. Take vegetables, for example. They should be available every day and in great variety. Yet, it would not do any good if they are supplied either in excessive or scanty quantities. Production of some other items should also be brought under control. Logging, for instance, should not go beyond the planned quantity. Denuding land of forests will destroy the ecological balance. Production of tobacco, peppermint, cultured pearls, edible mushrooms and so on should be preplanned. Free planting will make everyone plant what they want to plant and grow items in the quantities they wish. This blindness in planting will defeat the purpose of state planning and will not serve the good of national construction efforts or peasants themselves.

Some individuals say that the production team should be allowed to make its own decisions on what to plant and the quantity to be planted, in the interest of giving play to its economic superiority and improving its economic efficiency. Of course, superiority should be brought into play and efficiency should be improved. However, we must not forget the need to give consideration to the relationship between the state, the collective and the individual commune member, for it is a principle our socialist agricultural economy must follow. We must implement in an all-round way the policy of "never slacken efforts in grain production and enthusiastically diversify the economy," which is an integrated policy we must implement to engage in socialist agriculture.

Forsaking the above principle and policy, the production team will only take its own interests into account at the expense of state interests.

If lucrative crops are considered the only items which should be grown, then who is going to plant grain crops? For this reason, the production team must be guided by the state plan. On the premise of accepting the guidance of the state plan, the proper way is to carry out planting in line with local conditions, tap production potential, bring superiority into play and improve economic efficiency. This also applies to the production teams in which agricultural output quotas or farming work have been assigned to each household. Because such assignments are only a form of responsibility in production within the socialist collective economy and do not mean distributing the farmland among peasants to let them return to individual farming, these production teams must also accept the guidance of the state plan.

Some individuals say that agricultural production can only be guided by plans, and that such plans cannot be mandatory. These individuals made this remark because they consider agricultural planning as something absolute. The practice of contracting for grain production is mandatory, as is the quota plan for the purchase of hogs, vegetables and some other agricultural and sideline products in the second category. If this practice is not implemented, the purchase quotas cannot be assigned and farm produce items cannot be purchased. How then can the state carry out its construction tasks, and how can the people's livelihood be guaranteed? Obviously, the statements of these individuals were wrong.

Other individuals say that we can only use economic levers to guide the production teams in planting. Indeed, economic levers should be used. The state often considers their use in mapping out its plans. However, the financial power of the state should be taken into account when economic levers are understood to be a means to increase the purchase prices of agricultural and sideline products. Their purchase prices cannot be increased at present. We should make use of the law of value, but we cannot be totally submissive to it. Otherwise, our agriculture cannot be called socialist agriculture and our economy cannot be called a socialist economy. In a nutshell, our agriculture should be a planned economy in the main and be supplemented by market regulations. The production team can carry out planting in line with local conditions only under the guidance of the state plan, and the peasants can have some flexibility within the scope of the state plan. This means the interests of the localities must be subordinate to those of the whole nation and the immediate interests must be subordinate to the long-term interests.

Naturally, the state should take care of the peasants. As a matter of fact, the basic point of departure of the rural economic policies formulated at and since the 3d Plenary Session of the 11th CCP Central Committee take the interests of the peasants into account. The peasants will accept the state plan as their guide if the above point is clearly explained to them. The key to success in explaining this lies in the leaders at all levels, who should have clear-cut, guiding thinking; conduct in-depth investigation and study; and persist in the mass line and formulate plans on a practical basis of feasibility. They should direct the production teams in adapting spring sowing to local conditions on a practical basis. By so doing, this year's spring farming will definitely be carried out better than last year's.

LIU BAIYU'S SPEECH AT WRITERS ASSOCIATION

HK031505 Beijing WENYI BAO in Chinese No 3, 7 Feb 82 pp 6-8

[Article by Liu Baiyu [0491 4101 5038]: "Plunge Into the Torrents of a Great Era -- Speech Delivered at the Second Meeting of the Third Council of the Chinese Writers Association"]

[Text] The council has convened a timely meeting and this is a meeting of great significance. Since implementing the party's line, principles and policies stipulated at the 3d Plenary Session of the 11th CCP Central Committee, the literary and art front has scored significant results. The party's sixth plenary session summed up the positive and negative experiences of our party and issued the "Resolution on Certain Questions in the History of Our Party Since the Founding of the People's Republic of China." This resolution has unified the ideology of the whole party, the whole army and the people all over the country. Do we not say that we want to unify our ideology? Then, we must unify it with the resolution.

Since the sixth plenary session, the CCP Central Committee has tackled two important issues -- the economic question and the ideological question. In other words, they are questions concerning material and spiritual civilization. The Fourth Session of the Fifth NPC is a very important meeting. To quote Comrade Zhao Ziyang -- without the resolution stipulated at the sixth plenary session, it would have been impossible for us to put forth the 10 principles of economic construction at the NPC session. In other words, we have not only arrived at a general resolution and thoroughly summed up the positive and negative experiences but have also stepped out on a correct new path for economic construction by summing up the positive and negative experiences. This also means that we now have a guiding principle for the building of a socialist economy. As regards the issue of ideological work and the building of socialist civilization, Comrade Zhao Ziyang has devoted 10 pages of his government work report to them. This shows that the NPC session has attached great importance to spiritual civilization. Without spiritual civilization, it is impossible to realize material civilization. In this sense, the proposals put forth by the CCP Central Committee at the forum on questions on the ideological front that we should uphold the four basic principles, overcome laxity and weakness of leadership and oppose bourgeois liberalization are all the more profound and significant. Since the sixth plenary session, the central authorities have grasped the work of the economic front, as well as that of the ideological front. They have tackled the building of material civilization, as well as that of spiritual civilization. Only if we integrate the work of those aspects can we realize the four modernizations.

It is in this situation that we convened our council meeting. This has confronted us with a task, that is, how to do a better job in bringing into full play the building of spiritual civilization on the literary front. It is imperative that we do a good job of literary work. Therefore, the theme of this council meeting is to resolutely implement the spirit of the CCP Central Committee and maintain political and ideological unanimity with the central authorities. After a period of years, material and spiritual civilization will have been promoted. By that time, some comrades will be old, others may already have left us. However, we will be very happy because we have done something really worthwhile for our descendants. Therefore, this is a very important and meaningful meeting.

My speech will concentrate on the army. In his work report at the writers association, Comrade Feng Mu said that a meeting on writings of military themes will be held in 1982. Recently, RENMIN RIBAO featured a commentator's article calling for attaching importance to literature on military themes. This has enhanced the morale of the literary and art workers in the army. In my opinion, this has not only enhanced the morale of the literary and art workers in the army, but also that of comrades who used to be in the army, who marched, fought and charged the enemy lines with the soldiers; who encouraged the fighters and enhanced the morale of the army by their writings and who have now left the lovely army. This is a great encouragement for all literary and art workers. As a writer of the PLA units, I am very pleased with and grateful for it.

Our army is a good army. It is a good, experienced army under the party's leadership. It is an army of the party and the people. It is the mainstay of the people's democratic dictatorship and the great wall of steel which guards our country. However, I think that the best name for it is the people's own army. Our writers are the representatives and the spokesmen of the people. Thus, we must wholeheartedly cherish this army of the people. This army is a great force which safeguards our socialist state, so that we are able to enjoy security and unity today. The building of the four modernizations cannot be divorced from an army like this. This is an army which has a glorious tradition. However, it is undeniable that during the 10 years of internal disorder instigated by the "gang of four," the army was seriously sabotaged and its reputation was low. However, the present situation has changed. The army has made great progress and it has taken on a new look. I would like to quote three incidents which happened in the army this year. First, the battles of Fakashan and Koulinshan. They are important events in the war against Vietnam. Second, the performance of the PLA units during the fighting against floods and disasters. Third, the unprecedented large-scale and multicorps military exercise in the northern areas. From these three incidents, we have witnessed the great change of the PLA.

Fakashan and Koulinshan are two fronts of great importance. They are the two commanding heights which were seized by the Vietnamese Army. If we had not conquered them, the enemy would have controlled our border areas from these commanding heights. It was our army that seized this front during the hot season in the south. Although this was not a big front, it was not easy to seize it. Vietnam had deployed a large army to garrison it, nevertheless, we succeeded in seizing it. The battle was victorious, outstanding and very impressive. If seizing a front is difficult, it is more difficult to garrison a front. Vietnam had mobilized many regiments to attack us several times, however, it failed to conquer the front. It was an impressive event. As we all know, grain and water are the two most important things during war, in particular, water, during the hot season in the south. There was a platoon leader on the Fakashan front. Since he was shouting all the time through a loudspeaker, his throat was so dry that his mouth bled. A fighter was sorry to see this. He searched throughout the front and found half a bottle of water. He took the water to the water to the platoon leader. However, the platoon leader did not drink it. He passed it on to the fighters. The half bottle of water was passed throughout the front and not a drop was drunk. These fighters are comrades of 16 or 17. They are youths of our son's or our grandson's generation. From this incident, a question is posed to us. How should we view the youth of our times? What is the spirit of the youth of our times? Are they walking in front of us or behind us? I, as a soldier, writer and an old party member, cannot remain indifferent in such a situation. I should say: The spirit of our times has manifested itself at Fakashan and Koulinshan.

The second incident was the unprecedented floods in Sichuan and Shaanxi. The brave acts of our army in rescuing the people from disaster were worthy of the name of the people's army and the people's own army. Here, I would like to recall the glorious events of some 20 fighters who were praised as the people's warriors. They were all cadres of the PLA units. They rowed a boat to battle with the floods without rest and without food for some 10 hours. They rescued people from trees and houses. The people of the disaster areas were very impressed. They said: Practice has proved that the socialist system is good, the Communist Party is good, the PLA is good.

The third incident was the military exercise in the northern part of China. If the women's volleyball team has revived China, the military exercise has demonstrated the might of our country and our army. It has genuinely revived China. This was a grand maneuver of infantry, air force, tanks, artillery, rockets and troops. I think, without my going into details, we can ill imagine how grand it was. I would like to point out one thing: In the place where this grand army gathered, the peasants and the soldiers have maintained a close relationship. The army helped the peasants promote spiritual civilization and clean their courtyards so that the villages were very tidy and clean. Therefore, the people said: When you see a tidy village, you can be sure that the PLA units are there. After the military exercise, when the army left, the peasants were reluctant to see them off and they cried when they left. This is a scene cited both by the people and the PLA units. We have genuinely returned to the war years. Dear comrades, from the above three incidents, we can say: Our people are good, our army is good and our country is full of hope. The image of the PLA units is both great and impressive. I would like to say something more: Today our fighters are different from those in the past. Today, our fighters are educated and they are different from the workers, peasants and soldiers during the time of "talks at the Yanan forum on literature and art." From my own experience in the army, up to the war to resist U.S. aggression and aid Korea, basically, our army was an illiterate one. At present, most of our fighters have attained education above junior secondary school or are graduates of senior secondary schools. To quote Chairman Mao: "An army without education is a foolish army." At present, our army is an educated one. This is what we have hoped for and desired many years, and many martyrs have bled and made sacrifices for it. And now, we have realized their dreams.

There was an amateur writer who wrote poems on the battlefield and in the trenches. He wrote poems under heavy fire and finally, he was killed. Scripts were found on his body; they were stained with blood. From this incident, we can see that the scope of socialist literature is vast. Writers do not just write indoors, but also in the trenches. And we have seen people of this kind growing up. Our fighters read novels and criticize films. They have their own ideas and likes. At present, a company may have subscribed to dozens of literary journals. Just think how many readers we have and who they are. Our literary works are read by people like our fighters. Should this not enhance the writers' social consciousness? I think great changes must have happened among the peasants and the workers. Since I have not conducted any survey, I can only talk about the army.

The present situation poses a question to writers and artists, that is, they should provide the fighters with spiritual food; not coarse food, but delicacies. At present, the fighters will no longer be satisfied with work like "The Little Cowherd." They want to read good books, see good films and good plays. Is this not a challenge? Is this not a new achievement of socialist construction over the past few decades?

This time, Comrades Guangnian, Feng Mu and Ziqi invited me to give a speech. I would like to take this opportunity to invite writers outside the army to visit the army. I hope that veteran comrades who have been in the army will pay a visit to the army again, and that those who have never been in the army will also visit the army. There are many advantages in doing so. First, it is advantageous to unity. In proposing unity of the army and the people, literature and art should also promote unity of the army and the people. Second, they can see the new look of the PLA units. Third, I hope that our writers can write something for the fighters. Comrade Ye Wenling and others expressed their will to visit the army the year before last. Later, we sent them to Shenyang Military Region and they traveled from the Yalu River to the Heihe River. When they returned, they were very happy and excited. Therefore, I hope more writers will visit the PLA units. Your visit would make an unforgettable and indelible impression on the PLA units. For Hongcui, the fighters there welcomed them as if they were ministers. After seeing the military exercise, the artists were very impressed. They painted two impromptu pictures. These two pictures will certainly become the heritage of the company which will be handed on from generation to generation. The fighters will be encouraged by them. I hope more writers will visit the army; it is a matter of great importance to them as well. We want to portray new socialist figures; the fighters are the new socialist figures. Thus, we must plunge into the torrents of the new era.

Finally, I would like to point out one thing. Although it is a period of peaceful construction and there will be no war for a certain period of time, the hegemonists have not slackened their aggression. We must maintain our vigilance and always be prepared. To shoulder this solemn responsibility, we must not slacken cultural work. Therefore, if writers will visit the army, they will certainly promote the preparatory work of the army. On behalf of the cultural department under the General Political Department, I would like to invite all councillors and writers to the army; the fighters of the PLA units will warmly receive you.

PRC TO INCREASE TYPES OF FOREIGN EXCHANGE LOANS

OW051223 Beijing XINHUA in English 1209 GMT 5 Mar 82

[Text] Beijing, March 5 (XINHUA) -- The Bank of China has decided to increase from one to five the types of foreign exchange loans for domestic borrowers, XINHUA learned from the bank here today.

In addition to the U.S. dollar, the bank will now issue loans in Hong Kong dollars, Japanese yen, pound sterling and F.R.G. Deutsche marks.

So far, the bank has issued foreign exchange loans in U.S. dollars only.

FIRST QUANTITATIVE ECONOMICS SYMPOSIUM HELD

OW051141 Beijing XINHUA Domestic Service in Chinese 0735 GMT 4 Mar 82

[Text] Xian, 4 Mar (XINHUA) -- How to raise economic results in China's production, construction and commodity circulation and other sectors of the economy -- this issue was enthusiastically discussed by participants at the first all-China quantitative economics symposium.

An important new branch of economics, quantitative economics requires the application of mathematics and computers to quantitatively analyze problems in macroeconomics, intermediate economics [zhong guan jing ji 0022 6034 4842 3444] and microeconomics. Experts attending the symposium held that one of the important reasons why China failed to attain due results in its economic construction in the past 30 years or so was the negligence of the study and analysis of quantities. They pointed out that raising economic results requires the application of both qualitative and quantitative analysis. Without qualitative analysis, quantitative analysis will go astray. Nevertheless, it is also wrong to neglect quantitative analysis in favor of subjective will and arbitrariness. Practice has proved that it is difficult to solve the important question of raising economic results by merely relying on qualitative investigation while ignoring quantitative investigation and the concept of quantity.

Centering around the methods of securing better economic results, the participants concentrated on discussing these four questions: the theory of quantitative economics; the analysis of economic systems, investment and production; models of economic calculation; and economic forecasting.

On the proposal of the China Quantitative Economics Society, the Economic Institute under the Chinese Academy of Social Sciences and four other organizations, the symposium was held in Xian from 22 February - 3 March. More than 150 experts and professors from over 20 provinces, municipalities and autonomous regions throughout the country submitted more than 120 papers and reports on practical application.

LEARN FROM LEI FENG ANNIVERSARY FALLS ON 5 MAR

OW050925 Beijing Domestic Service in Mandarin 2340 GMT 4 Mar 82

[Text] The 5th of March marks the 19th anniversary of the call to learn from Lei Feng issued by Comrade Mao Zedong and other revolutionaries of the older generation. During the past 19 years commanders and fighters of the whole army have carried out extensive and in-depth activities to learn from Comrade Lei Feng, giving a great impetus to the promotion of spiritual civilization in various PLA units. There have also emerged a vast number of advanced individuals who have revolutionary ideals, do their work conscientiously and who always love and concentrate on the jobs they are doing.

JIANGSU OFFICIAL DISCUSSES WHEAT, BARLEY CROPS

OW031415 Nanjing Jiangsu Provincial Service in Mandarin 2300 GMT 2 Mar 82

[Excerpts] A responsible person of the department for agriculture and forestry in Jiangsu recently talked about this year's wheat and barley crops, summer hoeing and the key technical issues on strengthening spring field management for the wheat and barley crops.

At present, a serious problem is the retarded growth of wheat and barley seedlings. It will take a long time to bring the wheat and barley seedlings to full growth. Naturally there are reasons for this retarded growth. It rained for a long time during autumn sowing last year, forcing the postponement of wheat sowing. Later many seeds and seedlings rotted. In addition, the winter temperatures were very low.

In order to reap a good harvest of wheat and barley this year, we must combat natural disasters, promote the growth of seedlings and increase production in a balanced way. The temperature is now becoming warmer. The seedlings are entering the stage of vigorous growth. This is the best time to promote growth of seedlings and tillering. We must pay attention to the following three measures:

1. We must dredge the drainage ditches to drain accumulated water in the wheatfields and loosen soil to promote the growth of roots.
2. It is necessary to apply manure whenever we deem necessary to promote the growth of seedlings.
3. We must do a good job in preventing pests and plant diseases and combating weeds. It has rained for a long period since wheat sowing last fall. The weeds have greatly affected the growth of the seedlings. It is suggested that all localities mobilize all available manpower to get rid of weeds. In localities where conditions exist, weeding by chemicals should be carried out in an all-round manner.

XINHUA RIBAO ON PRODUCTION RESPONSIBILITY SYSTEM

OW050438 Nanjing XINHUA RIBAO in Chinese 19 Feb 82 p 1

[Editorial: "Further Sum Up, Improve and Stabilize the Production Responsibility System in the Course of Spring Farming"]

[Excerpts] Spring farming production has already started. All localities must, in close combination with spring farming, sum up and improve the various forms of the production responsibility system in order to stabilize it. The situation in the agricultural production responsibility system in Jiangsu is characterized by the coexistence of various forms depending on special conditions in each locality. The masses of peasants are happy with the development of the situation and the marked economic achievements. It is necessary to promptly explain to the cadres, in clear-cut terms, that the various forms of the production responsibility system currently existing in various localities, including fixed production quotas for small-section work contracts, contracts for specialized production and payments according to output; work groups of individuals undertaking to fulfill certain quotas in farm work under unified management; and fixing of output quotas and contracting for farm work on a household basis under unified management, are the production responsibility system of the socialist collective economy and that these forms of the production responsibility system will not be changed unless the masses request it.

In summing up, improving and stabilizing the various forms of the production responsibility system, it is necessary to first earnestly sum up experiences. This is the basis for improving and stabilizing the responsibility system. In the course of establishing and improving the production responsibility system, the cadres and masses in all localities have proceeded from the actual condition in each locality and, displaying a pioneering spirit, created and accumulated many useful experiences, thereby bringing into full play the superiority of the collective economy and the production enthusiasm of commune members and giving an impetus to agricultural productive forces.

In summing up and improving the responsibility system in the course of spring farming, it is necessary to proceed from all the factors that are beneficial to production, safeguard and uphold the necessary unity, and correctly combine this unity with fixed responsibility and division of labor. Unity is needed in upholding collective orientation, safeguarding the position of production teams as the principal part of the rural economy, better accepting the state's planned guidance, bringing into play the role of collective material and technical foundations, consolidating commune members' welfare and further strengthening and building closer relations between commune members and their collective, economically and organizationally, so that the superiority of the collective economy can achieve optimum results. Unity is needed so as not to revive the "leftist" ideas of the past, justifying the egalitarian principle of everyone eating from the same big pot. Fixed responsibility and division of labor are needed for assigning some production items and means, suitable for decentralized management and operation, to work groups, individuals or households. The extent of unity and fixed responsibility must keep pace with the production needs of each locality at different times.

The improvement of the production responsibility system must be closely linked with the goal to promote all-round development of agricultural production. Therefore, while summing up, improving and stabilizing the responsibility system in grain and cotton production, it is also necessary to sum up, improve and stabilize the responsibility system in forestry, animal husbandry, fishery and sideline production. It is necessary to divide the work and field of production in a scientific way, tap new sources of production and advance along the road of socialized and specialized production so that the surplus labor force in the rural areas and natural resources can be fully utilized to create more wealth for the society and country.

The key to doing a good job in summing up, improving and stabilizing the production responsibility system lies in strengthening the leadership and giving full play to the role of the grassroots organizations in the rural areas. Rural party branches must play the role of a fighting force at the core, and commune and production brigade management committees must perform their required economic and political functions and play a leading role in spring farming production. While summing up, improving and stabilizing the production responsibility system in the course of spring farming, cadres at various levels should conscientiously conduct investigation and study and consult with the masses in doing a more penetrating and meticulous job to strive to win greater achievements in Jiangsu's agricultural front this year.

BRIEFS

JIANGSU PORT CONSTRUCTION -- The construction of the first-stage projects, which include four 10,000-dun deepwater berths, at the Zhenjiang (Dagang) port area in Dantu County, Jiangsu, was resumed in mid-February after being declared by the Ministry of Communications as state major construction projects. Approved in 1975, the projects began in 1976, but construction was ordered to slow down in 1978. On completion, these projects will lessen the pressure on Shanghai port and help the transportation of goods from northern and southern Jiangsu and provinces along the Chang Jiang. [Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 21 Feb 82 OW]

SHANDONG RESTORES TAIAN CITY -- With the approval of the State Council and the Shandong Provincial People's Government, Taian municipality was restored effective 1 March. The municipality is under the jurisdiction of the Taian Prefectural CCP Committee and administrative office. [Jinan Shandong Provincial Service in Mandarin 2300 GMT 2 Mar 82 SK]

GUIZHOU GOVERNOR WELCOMES EXTERNAL INVESTMENT

HK050343 Guiyang Guizhou Provincial Service in Mandarin 1100 GMT 4 Mar 82

[Text] Governor Su Gang recently said to a XINHUA correspondent: I hope that you will let it be known that we welcome foreign entrepreneurs and fraternal provinces, municipalities and autonomous regions to invest in Guizhou -- including technical investment -- work with us in exploiting and utilizing the province's resources, and set up joint enterprises for producing coal, phosphate ore, building materials, electric power, cigarettes, wine so on. We welcome [words indistinct] of units throughout the country to come to Guizhou to display their abilities and set up some undertakings. All units and individuals coming to invest in Guizhou will be warmly welcomed and accorded preferential treatment by the provincial people's government.

Governor Su Gang said: Guizhou has beautiful scenery and a temperate climate. Its resources are abundant. It occupies an important position in the whole country in resources of coal, phosphate ore, electric power, building materials, cigarettes, wines and so on. Guizhou also possesses very good conditions for exploiting and utilizing these resources. First of all the province has plenty of energy sources, coal and power. Secondly, its communications are relatively developed. There are four railroad lines linking the province with Sichuan, Yunnan, Hunan and Guangxi. At present work is underway to improve the routes and carry out electrification; transport capacity will then be increased by several times. The Guizhou-Guangxi railroad will be extended to Zhanjiang. Large quantities of commodities can then be shipped from Zhanjiang to markets in Hong Kong, Macao, Southeast Asia and Western Europe.

After Governor Su Gang analyzed and introduced the province's situation regarding coal, phosphate ore, building materials, electric power, and tobacco, he said to the correspondent: Guizhou will send an economic cooperation delegation to hold specific consultations with fraternal provinces and municipalities willing to invest in Guizhou and exploit its resources. The province also welcomes cables and letters from the provinces and municipalities concerned, so as to step up contacts.

CHENGDU PLA RECEIVES GENERAL STAFF INSTRUCTION

HK030243 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 2 Mar 82

[Text] The leading organs of the Chengdu PLA units held a rally of cadres on the afternoon of 2 March. Commander You Taizhong conveyed the important instructions of General Staff Department leaders. Political Commissar Zhang Hanhua delivered a mobilization report entitled "Actively Take Part in the All-People Decorum and Courtesy Month Activities and Set an Example in Building Socialist Spiritual Civilization." Deputy Commander Wei Jie read out the decision of the Chengdu PLA units CCP committee on launching a mass drive for companies and individuals in building socialist spiritual civilization.

Present at the rally were leading comrades of the Chengdu PLA units Wang Chenghan, Wang Dongbao, Chen Mingyi, Li Wenqing, Ru Fuyi, Xu, Chenggong, (Wang Xinquan), Yan Shouqing, Lu Jiahua, Yu Hongyuan and Zheng Benyan, cadres at and above regimental level of units stationed in the Chengdu area, and the whole body of cadres of the headquarters, political and logistics organs, a total of 2,100 persons.

In his report, Zhong Hanhua gave three views on how the PLA should take part in the all-people decorum and courtesy drive and set an example in building socialist spiritual civilization: 1) enhance understanding and get a good grasp of propaganda and mobilization work; 2) the PLA units should advance ahead of the masses in building socialist spiritual civilization; 3) leading organs and leading cadres must set an example.

Comrade Zhong Hanhua stressed in particular that the PLA units must do well in taking the lead in these activities.

After conveying the important instructions of the leaders of the General Staff Department, Comrade You Taizhong stressed: This rally today is a gathering to convey the instructions of the General Staff leaders and also a mobilization rally for the decorum and courtesy month. I hope every cadre, fighter, worker and dependent will guide his actions by the demands of the "four possessions, three stresses and two fear-nots" and the "five stresses and four beauties." Everyone should strive to become a splendid standard bearer in building socialist spiritual civilization.

XIZANG COMMENTARY DISCUSSES ECONOMIC CRIME

HK040354 Lhasa Xizang Regional Service in Mandarin 1130 GMT 2 Mar 82

[Station commentary: "Deal Resolute Blows at Smuggling and Other Economic Crimes"]

[Text] The regional CCP committee has made urgent arrangements to carry out the struggle against smuggling and deal resolute blows at various illegal activities in the economic field. CCP committees and people's governments at all levels must take immediate action and, after achieving a clear understanding of the great significance of this struggle and in light of the realities in their own districts and units, concentrate their efforts on checking on and dealing with serious cases of smuggling and other economic cases, so that the party's work style and the social atmosphere in our region can rapidly be greatly improved.

The present political and economic situations in our region are good. But in some districts and units, the activities of smuggling, graft and taking bribes still exist to a serious degree. According to statistics, in Rikaze Prefecture, smuggling cases increased greatly in 1981 as compared with the previous year. The number of these cases reached 507 and the sum of money involved was over 240,000 yuan. What merits special attention is that in quite a number of serious cases, cadres and staff members, even some responsible party-member cadres, were involved. This shows that such criminal activities have not only made our country suffer heavy economic losses but also greatly disrupted the markets in the border areas, corrupted the cadre ranks of our party and army as well as their social values, and affected the stability of the border areas and our regional socialist construction. So, the struggle against smuggling and other economic crimes is not merely a struggle within the economic field but also a political struggle to defend the socialist system and the situation of stability and unity in the border areas and to carry on the party's fine traditions. It concerns the destiny of our party and country and must be carried out correctly.

In view of the specific conditions in our region, the emphasis of this struggle should be placed on hitting at smuggling activities. In other words, we must concentrate our strength on cracking down on smuggling activities by groups or habitual offenders and those cases involving large sums of money; smuggling activities involving working personnel in state organs who take advantage of their positions and power to gang up with, turn a blind eye to and shield smugglers or to commit crimes; and smuggling of precious cultural relics, gold, silver, pearls, costly medicines and other valuables. At the same time, it is necessary to hit at all other illegal activities in the economic field, such as graft, taking bribes, speculation and profiteering, extortion, illegal contracting and appropriating state property. We must relate this struggle with the consolidation of organs and enterprises. All localities and units must solve the existing problems in line with their specific conditions and prevent blindness and perfitoriness. In this struggle, it is necessary to use the law as our weapon in defending our socialist system and socialist construction. It is stipulated in article 119 of the criminal law that state functionaries who take advantage of their position to engage in smuggling, speculating and profiteering will be severely punished. Thus, all economic criminal offenders, especially responsible cadres, who violate the criminal law must be resolutely and promptly punished in accordance with the law. Serious cases in which responsible cadres are involved must be handled more severely and without leniency.

Only thus can we effectively deal heavy blows at smuggling and other illegal activities and check the unhealthy tendencies in the economic field. In order to ensure that this struggle is carried out healthily and great achievements are scored, it is necessary to pay serious attention to the implementation of the party's policies and act in strict accordance with the relevant stipulations. Mass movements of denunciation and exposure must not be launched. Thus false charges and overreaction can be prevented. In handling smuggling and other economic cases, we must adhere to the principle of seeking truth from facts, attach importance to evidence and lay stress on investigation and study, rather than readily believing confessions or words. Leading cadres or ordinary working personnel who commit crimes should be punished only after a thorough investigation of facts is made. At the same time, the policy of varying treatment must also be carried out. Minor offenders or those comrades who have bought some smuggled goods for their own use must be educated and helped and must not then be investigated and affixed with responsibility. Those whose crimes are not very serious and who confess their offenses and really want to correct their mistakes must be leniently handled. But serious offenses involving responsible party-member cadres and state functionaries who have deliberately broken the law, as well as those who have embezzled smuggling goods by pretending to be antismuggling officers, must be handled more severely in accordance with party discipline and national law, and there will be no leniency or indulgence.

We are convinced that if party committees at various levels firmly rely on the masses of people and act in strict accordance with our party's principles, we are sure to achieve victory in this anticorruption struggle, and the party's work style and the social atmosphere in our region will be greatly changed for the better.

BRIEFS

XIZANG MILITARY FORUM -- On 20 February, Xizang Military District invited minority nationality cadres and soldiers to a Tibetan New Year's forum. Military district Political Commissar (Sun Yushan) spoke to over 100 participants, hoping that they will keep their minds on the work in the army and make more contributions in guarding the frontier and in building a united, prosperous and civilized new Xizang. Cadre and soldier delegates expressed their determination to resolutely carry out the party's nationality policy and do a good job in strengthening the unity between nationalities and in building a new Xizang. [Lhasa Xizang Regional Service in Mandarin 1130 GMT 21 Feb 82 HK]

XIZANG PLA CLASSES -- The opening ceremony for the third batch of the cadres' study classes of the PLA divisions and regiments of the Xizang Military District was held on 9 February. This batch of study classes regards the spirit of the 6th Plenary Session of the 11th CCP Central Committee to be a guiding principle, studies the Chinese socialist economic problems and Chen Yun's relevant economic theory and further deepens their understanding of Zhao Ziyang's 10 principles of economic construction. Leading comrades of Xizang Military District attended the opening ceremony. [Lhasa Xizang Regional Service in Mandarin 1130 GMT 10 Feb 82 HK]

HEBEI'S JIN MING VIEWS WORK WITH INTELLECTUALS

HK040923 Shijiazhuang HEBEI RIBAO in Chinese 20 Feb 82 p 1

[Report: "At a Forum of Teachers of Hebei University and Other Colleges, Comrade Jin Ming Stresses Strengthening Work Concerning Intellectuals and Bringing Their Role Into Play"]

[Text] On 12 February, Jin Ming, first secretary of the provincial CCP committee, went to Hebei University. He invited the leading cadres, professors and assistant professors of the university and other representatives from teachers of Hebei Agricultural University and Huabei Electric Power College to hold a forum in order to listen to their opinions and suggestions regarding educational work, the training of talented people and strengthening of work concerning intellectuals.

At the forum, the comrades attending took the floor one after another. They actively suggested many ways and means to enhance tertiary education. The participants suggested that the provincial CCP committee attach importance to education and intellectual development. They demanded that the leaders take a broad and long-term view and promptly train talented people. Some teachers said that we have not done a good job of recruiting party members from among the ranks of teachers, and we have not basically changed the situation whereby it is difficult for teachers to join the party. The comrades attending also gave a report on the current problems in implementing policies on intellectuals, in strengthening the building of the ranks of teachers and in the teachers' working and living conditions.

After listening to everyone's opinions, Comrade Jin Ming delivered a speech on how to do a better job of the work on intellectuals. He said: We need a large number of talented people to promote the four modernizations. The CCP Central Committee has always attached great importance to intellectuals; it holds that without intellectuals, we would not be able to do a good job in revolution and construction. After smashing the "gang of four," the CCP Central Committee made a correct reevaluation and stipulated a correct and perfect policy on intellectuals, which has opened up broad prospects for bringing into full play the role of intellectuals. We must adhere to the CCP Central Committee's line, principles and policies, strengthen work on intellectuals and build a grand rank of intellectuals which adheres to the socialist road, possesses professional knowledge and is capable.

When talking about the effects of "leftist" errors on education in our province, Comrade Jin Ming pointed out that since the influence of "leftist" ideology has not been thoroughly eliminated, a number of leading cadres in our province do not understand the position of and the role played by intellectuals during the new period. They have not carried out the relevant policies of the party; in particular, they have not paid sufficient attention to the young and middle-aged intellectuals, nor brought their strong points into full play. In order to do a better job of work concerning intellectuals, Jin Ming put forth several points. First, we must have a correct understanding and evaluation of intellectuals. History has proven that the great masses of intellectuals passionately love the motherland, the party and socialism. Together with the workers and peasants, they have played an important role in revolution and construction. They have become an important support force for socialist modernization. We must thoroughly rehabilitate the unjust, false and wrong cases of intellectuals. We must seriously correct all wrong attitudes toward intellectuals, such as not trusting and not relying on them to the extent that we discriminate against and combat them. Second, we must strengthen political and ideological work so as to bring forth the fine tradition of the great masses of intellectuals, namely, their passionate love for the party and socialism and spontaneous adherence to the four basic principles, so that they will thoroughly understand their historical mission. The party and government leading cadres at all levels, in particular the responsible cadres of schools, must treat intellectuals as their bosom friends.

They should take the initiative to get in touch with intellectuals and have heart-to-heart talks with them. They should be frank and devoted to each other so as to dispel all misunderstandings in history, to be of one heart and one mind and to unite as one. In many aspects, Hebei Province is more backward than other fraternal provinces and municipalities. We must face reality, overcome hurdles and work hard for the prosperity of the country so as to actively make contributions to promote work in Hebei. We must admit into the party comrades who have both ability and political integrity, who possess the lofty aspiration of communism and are devoted to education, and who meet the requirement for admission to the party and enthusiastically want to enter the party. Third, we must try our best to increase funds for scientific education. At present, we are living in a period of economic readjustment, but the financial and material resources of our country are limited. However, last year's educational fund was increased and the provincial CCP committee has decided to increase it again this year so as to try their best to help schools solve problems and gradually improve the intellectuals' working and living conditions. Fourth, while valuing and bringing into full play the roles of teachers, we must also devote major efforts to strengthening the training of young and middle-aged teachers and bring their roles into full play. We must allocate young and middle-aged intellectuals to different positions in accordance with their abilities so as to bring their strong points into full play. We must organize teachers to take their own "disciples," so as to foster the students' abilities. As to young and middle-aged teachers who have profound and extensive professional knowledge, we must boldly allocate them to key positions in different departments. Fifth, the leadership groups of schools must discard the thinking of giving priority to seniority rather than ability. In particular, they must be bold in promoting young and middle-aged teachers who have sound political ideas and who possess organizational and management abilities to leadership positions.

Comrade Jin Ming said that the provincial CCP committee will further improve and strengthen work concerning intellectuals in accordance with the demand of the central authorities. He said: Today, I have come to visit you. Many other leading comrades of the provincial CCP committee will follow me. They will come to visit you frequently and listen to your opinions so as to work together with you and strive to do a good job of science and education in our province within a short period of time.

SHANXI CIRCULAR ON DECLINE IN PIG PRODUCTION

HK191015 Taiyuan SHANXI RIBAO in Chinese 7 Feb 82 p 1

[Report: "Provincial Government Issues Circular Calling on the Province To Rapidly Reverse the Decline in Pig Production"]

[Text] On 13 January the provincial government issued a "circular on rapidly reversing the decline in pig production." The circular points out that at the end of 1981 pig production in our province dropped by 24.6 percent and if this decline is not quickly reversed it could have a highly detrimental effect on the province's overall agricultural production as well as the supply of meat. All levels of the people's government as well as communes and brigades should see the development of pig breeding as a key aspect of efforts to develop agricultural diversification and should enter it as an important item on their agenda. They should strengthen leadership and work to ensure that pig breeding develops at a relatively rapid rate. In order to achieve this the circular emphasized the following:

1. We must continue to stabilize and implement the policy on pig breeding and should further arouse the enthusiasm of commune members and collectives for pig breeding. We must steadfastly implement the state-approved policies on encouraging pig breeding, assigning purchases, rewarding additional sales, and pricing; and should ensure that they are carried out in full and without alteration. Guidelines for the allocation of land and materials to pig breeding households should not be altered arbitrarily by production brigades.

2. Pig-breeding tasks should be assigned according to the state plan and state-assigned purchasing contracts should be put into practice in a comprehensive way. Pigs are second-category products that should be purchased in accordance with the state plan. The state plan concerning production and purchase should continue to be handed down from the government department to the production brigade. Departments responsible for the purchasing of pigs should sign state-assigned purchasing contracts with each production brigade in accordance with the state purchasing plan. The production brigade should in turn assign production responsibilities in the form of a contract to each household on the basis of their labor force and the size of their private plots, fodder plots and land under contract. Or the purchasing department, the production brigade and the pig-breeding household may sign a tripartite state-assigned purchasing contract. On the condition that fulfillment of the contract is guaranteed it is permissible for the production brigade and individuals to handle the matter themselves. The state purchasing contract should either be renewed each year or signed with each party's agreement for a period of 1, 2 or 3 years.

3. By protecting and increasing the production of boars and sows, we shall certainly be able to solve the problem of the pig supply. In addition to protecting the 280,000 sows we have now, it will be necessary to select a further 220,000 before the end of April. Every 10 households should have at least 1 sow and every 20 to 25 households should have a boar. In order to develop the breeding of boars and sows we must not only continue to do a good job of running state livestock farms and collective pig farms belonging to production brigades but must go all out to support and encourage specialized household production of boars and sows. At the same time, we should continue to promote the pig-breeding system which makes the actual raising of pigs the responsibility of the household and leaves breeding in the hands of either the production brigade or the household. Each food-purchasing station should raise a boar of fine breed that can be bred with the sows of nearby commune members. No one who does not have the approval of the commune's livestock immunization station should be allowed to castrate boars or slaughter boars or sows.

4. We must improve management and work style and solve the various concrete problems involved in the purchasing and allocation of pigs. Proceeding from what is convenient for the masses, the management departments must increase the number of points in the purchasing network, develop mobile services and earnestly improve the management work style. We must conscientiously implement the state-assigned purchasing contract system, work to ensure that the contracts are scrupulously followed and accept economic responsibility. We must correctly implement the state's purchasing policy and should prohibit both the lowering and increasing of grades and prices. In cases where the masses are deliberately cheated or inconvenienced we must find out who is responsible and severely punish them.

5. We must earnestly strengthen leadership and promote the relatively rapid development of pig breeding in our province. All levels of the people's government as well as communes and brigades should see the development of pig breeding as a key aspect of effort to develop agricultural diversification and should enter it as an important item on their agenda. Departments responsible for the state plan, agriculture, commerce, grain, foreign trade, supply and marketing, financial administration and banking should all promptly study the pig-breeding policy and should try to solve any new problems that may arise in either production, supply or sales. We must conscientiously summarize and actively promote the experience of specialized households and key households in the development of pig breeding. The leading cadres of the responsible departments need to go down to grassroots units on a regular basis to investigate conditions and guide work. In the past our province would hold an annual conference of pig breeding to summarize work, commend advanced units and promote the development of pig breeding. Since these conferences played a positive role in promoting pig breeding we should continue to hold such conferences in the future.

TIANJIN SCORES SUCCESS IN USING FOREIGN CAPITAL

HK050710 Beijing ZHONGGUO XINWEN SHE in Chinese 0755 GMT 4 Mar 82

[Review by ZHONGGUO XINWEN SHE correspondent: "Why Is Tianjin Successful in Using Foreign Investments?"]

[Excerpts] Beijing, 4 Mar (ZHONGGUO XINWEN SHE) -- Some people abroad have said that China does not know how to use foreign capital, causing a lack of production capacity and economic results. On a recent visit to Tianjin, this correspondent felt from what he saw and heard that Tianjin is the very opposite of what is being said about it, thanks to its own efforts. It provides proof that China not only knows how to use foreign capital but can use it with great results.

From 1978 to date, Tianjin has used a total of only \$110 million or so in foreign capital. This was the smallest amount obtained as far as several major cities along the coast of China are concerned. However, with this kind of money, Tianjin has done much and benefited greatly. Why? This is to be attributed to its correct guiding thoughts, its conscientious work and its flexible approach.

China is at present still relatively poor. It is impossible for her to draw liberally on foreign capital. How should limited funds be used? This is a big problem. Those people concerned in Tianjin Municipality know well that available funds must be directed toward reforming the techniques of existing enterprises and streamlining their equipment. Most of the equipment of the 4,000-odd factories and enterprises in Tianjin Municipality was obsolete. The skills used were backward. For example, in the cotton spinning industry, equipment over 20 or 30 years old accounted for 80 percent. Reforming these enterprises was a matter calling for immediate attention. (Or course, work in this respect could not be started all at once on an overall basis.) For several years, Tianjin Municipality used foreign capital plus domestic funds to concentrate on reforming cotton spinning, wool spinning, knitting, printing and dyeing, clothing and other undertakings, allowed a marked change in the composition of equipment in these enterprises and a great improvement in their technical level. The proportion of old equipment in cotton spinning dropped by 20 percent. The number of spindles added was equivalent to the total increase in the 25 years since liberation. The 16 gripper wool spinning looms imported in the wool spinning industry were equivalent to the production capacity of 50 ordinary looms. The production features of wool spinning thus changed. Over 80 percent of the entire clothing industry was reformed. The revolving speed of sewing machines doubled and the single process productivity was raised from 100 to 300 percent.

Another feature of Tianjin Municipality's successful effort in using foreign capital is to seriously study possibilities and pay attention to the proper choice of projects. This is the main point determining whether we can achieve results in using foreign funds. How do we study possibilities? We must first chiefly have such prerequisites as the salability of a product, a short period of time for completion, ability for a product to complete full sets of equipment required domestically, a guaranteed supply of raw and other materials, a high return where foreign exchange is concerned, an ability to pay debts, and so forth. The relevant departments of Tianjin Municipality paid attention to making investigations and studies beforehand. Only after conditions matured did they ask for foreign investment. They never hastily decided upon projects in which they had no confidence. Some projects in themselves seemed incapable of allowing full payment of debts. But after their completion, they could have a stimulating effect on a large number of enterprises, helping increase the export of other products. After a careful study, the relevant departments considered that payment of debts was possible through comprehensive compensation. They thus also supported projects of this kind.

Still another feature of Tianjin Municipality's successful effort in using foreign capital is to introduce important equipment and proper techniques. It generally refuses to get involved with the import of whole sets of equipment and strives to take national conditions and economic factors into consideration following a rational approach.

These outstanding results achieved by Tianjin Municipality have provided wholesome experience in extensively drawing on foreign funds and properly using them. This year, Tianjin Municipality wants to do a still better job in this respect. It wants to accomplish in 1 year what formerly required several years to complete. People look forward to and have every confidence in its success.

TIANJIN COMMENTARY DISCUSSES ECONOMIC CRIMES

HK041132 Tianjin City Service in Mandarin 2330 GMT 25 Feb 82

[Station commentary: "Use the Weapon of Law To Vigorously and Speedily Strike Blows at the Criminal Activities in the Economic Field"]

[Text] While this municipality is vigorously and speedily waging a large-scale struggle to strike blows at criminal activities in the economic field, the Tianjin municipal intermediate people's court held an open trial to strike blows at economic criminal activities. In accordance with the law, it passed sentences on six criminals, including (Sun Baoming), who were guilty of committing economic crimes. It used the weapon of law to strike severe blows at the arrogant economic criminals.

At present, the situation in the municipality is very good, its political situation is stable and its national economy is steadily forging ahead. However, we must clearly see that in the wake of implementing the open-door policy, bourgeois decadent ideology and life styles have intruded. Some people, even some party members and cadres, cannot resist the corruption by bourgeois ideology and have been hit by sugar-coated bullets. They have taken various measures to vigorously carry out economic criminal activities. In collusion with smugglers from Hong Kong and Macao and those along coastal areas, some have smuggled goods and trafficked in smuggled goods. In collusion with lawless elements in society, some have taken advantage of their positions and powers to commit graft and theft. Some have taken the opportunity of signing contracts for construction and of transaction of certain business to receive bribes. Some have taken the opportunity of closing, suspending and merging factories and shifting to other types of production to appropriate large amounts of state money and property. These unlawful and criminal acts have seriously sabotaged the socialist economy, polluted the general mood of society, corrupted the structure of the party, impaired the party's prestige and surely dampened the masses' enthusiasm.

The CCP Central Committee has resolved to regard striking blows at the criminal activities in the economic field as one of the two important problems which should be solved this year. The municipal CCP committee has adopted a firm attitude, and in accordance with the instruction of the central authorities, made arrangements for struggling against serious economic criminal activities. It has demanded that CCP committees at all levels take a serious view of this struggle and by no means be irresolute and hesitant and turn a blind eye to these activities. Moreover, they should not tolerate and abet evil, act wrongly out of personal considerations and harbor evildoers. They must take a clear-cut stand and vigorously, speedily and resolutely struggle against economic criminal activities.

The key to struggle against economic criminal activities is to strike blows at individuals involved in the unlawful activities of smuggling, trafficking in smuggled goods, committing graft, receiving bribes and appropriating large amounts of state money and property. First, we must seriously investigate and deal with those active and serious economic criminal cases which involve responsible cadres. Irregardless who they are, irregardless whether they are high-ranking cadres and irregardless where the cases are investigated, we must get to the bottom of the matter. While investigating and dealing with active and serious economic criminal activities, we must step up reviewing and dealing with economic criminal cases which were not seriously dealt with in the past 2 years because they could not be dealt with.

Investigating and dealing with serious economic criminal cases is complicated work and it concerns the matter of policy. We must act in strict accordance with the policies of the party and with state laws. We must distinguish between general economic issues and economic crimes. We must deal with criminals according to the nature and the seriousness of the cases while at the same time taking into consideration the attitude of those involved. We must implement the policy of leniency for those who confess their crimes and of severity to those who refuse to confess. We must attach importance to evidence, investigation and study.

Striking blows at criminal activities in the economic field is a major task which enjoys the ardent support of the party and the people. Somber investigation and dealing with serious economic criminal cases is of important significance in improving the party work style, the general mood of society and social order. We must be determined, go all-out and do well in this struggle.

TIANJIN ISSUES ANTI PROFITEERING MEASURES

HK040836 Tianjin City Service in Mandarin 2330 GMT 18 Feb 82

[Text] With a view to protecting lawful transactions, upholding socialist economic order and guaranteeing the successful progress of socialist economic construction, the municipal people's government recently promulgated the Tianjin municipal provisional measures on investigating and dealing with speculation and profiteering. The provisional measures include the following 13 aspects as falling within the sphere of acts of speculation and profiteering:

1. Unlawfully stealing and selling means of production for industrial and agricultural production;
2. Raising prices and rushing to purchase materials which the state plans to purchase, resulting in the sabotage of the state's purchase plans;
3. Illegally buying up commodities from state-owned retail shops and retail shops of supply and marketing cooperatives and reselling them at increased prices;
4. Individuals engaging in wholesale business only;
5. Engaging in the blackmarket economy to reap staggering profits;
6. Speculating and concluding subcontracts to reap unfair gains;
7. Bullying people of the same trade, engaging in shopkeepers' strikes, hoarding, cornering and inflating prices;
8. Stealing and selling planned supply tickets and coupons and negotiable securities of banks;
9. Stealing and selling gold, silver, foreign currency, pearls, jewels, cultural relics, imported goods and valuable medicinal materials;
10. Doing shoddy work, using inferior materials, adulterating goods and passing false goods off as genuine to obtain money by deception and to reap profits;
11. Under the pretext of doing business, enterprises and units swindling and bluffing to plunder money and property;
12. Selling certificates, invoices and contracts, issuing certificates and invoices on behalf of others, concluding contracts on behalf of others and providing others with bank accounts, checks and cash to obtain unlawful incomes;
13. Other acts of speculation and profiteering to reap unlawful profits.

The provisional measures also provide that units and individuals who engage in speculation and profiteering are to be dealt with differently according to the seriousness of their crimes. In minor offenses, offenders' money, property and ill-gotten gains are to be confiscated and fines are to be imposed on them. In serious offenses, criminal responsibility is to be investigated and affixed.

It also provides that organs, organizations, PLA units, enterprises, units and state work personnel who take advantage of their positions and powers to engage in speculation and profiteering and to provide speculators and profiteers with commodities to reap unfair profits must be severely punished.

The provisional measures clearly provide that departments in charge of investigating and dealing with speculation and profiteering are industrial and commercial administrative organs at all levels. Industrial and commercial administrative personnel have the power to interrogate units and individuals who engage in speculation and profiteering or who are suspected of engaging in speculation and profiteering. They have the power to investigate or temporarily detain materials involved in speculation and profiteering. Relevant banks, post offices and railway and communications units must help, where necessary and in accordance with regulations, in investigating and dealing with the remittances, deposits, mail and consignments of units and individuals who have engaged in acts of speculation and profiteering. The fines and the money and property confiscated from units and individuals who engage in speculation and profiteering must be paid in full to industrial and commercial administrative organs within the specified period.

BRIEFS

SHANXI COAL EXPORT -- Shanxi Province has recently set up the Shanxi Provincial Coal Import and Export Company. Coal output in Shanxi accounts for 20 percent of the nation's coal output. Last year, Shanxi produced 130 million tons of coal. This company will be in charge of all the coal exported from Shanxi. It was decided that the company will give priority to exporting coal to Taiwan. [Beijing ZHONGGUO XINWEN SHE 0805 GMT 17 Feb 82 HK]

SHANXI COAL-TECHNOLOGY EXCHANGE -- Taiyuan, 2 Feb (XINHUA) -- Shanxi Province, which produces 1/5 of China's coal, last year exchanged 86 million tons of its 130 million-ton output for technology, capital and materials, according to provincial authorities. Priority in the exchange, with 15 provinces, municipalities and autonomous regions, was given to consumer goods production. More than 100 contracts were signed in 1981 by Shanxi's light and textile industry for technology. Under one contract, a team of 30 factory directors, engineers and technicians from Shanghai's municipal sewing machine company helped upgrade their counterpart in Shanxi's Changzhi city. As a result, quality improved and output rose from 50,000 in 1980 to 200,000 in 1981. The chemical fiber mill in Shanxi's Datong city increased daily output from 3 to 5.5 tons with the help of its Shanghai counterpart. The province also traded for 5,000 tons of light and textile industrial raw materials including (?nylon), rayon and tung oil, and 100,000 tons of building materials. [Text] [Beijing XINHUA in English 0711 GMT 2 Feb 82 OW]

TIANJIN FINANCIAL INSPECTION -- The Tianjin Municipal People's Government held its second mobilization rally on enterprise financial inspection 27 February. Guo Chunyuán, secretary of the municipal CCP committee and vice mayor, attended and addressed the rally. The rally disclosed that over 10,000 financial violations were exposed between December 1981 and January 1982 involving over 50 million yuan. [Tianjin City Service in Mandarin 1430 GMT 1 Mar 82 SK]

TIANJIN BIRTH RATE -- In 1981, 135,000 children were born in Tianjin Municipality, 82 percent of them first children. About 85 percent of Tianjin's 310,000 only-child parents have decided to have only one child in their lifetime and received only-child certificates. [Tianjin City Service in Mandarin 0030 GMT 13 Feb 82 SK]

HEILONGJIANG TO INCREASE GRAIN PRODUCTION

OW030827 Beijing XINHUA Domestic Service in Chinese 0023 GMT 28 Feb 82

[Report by XINHUA correspondents Jing Bo and Wang Changkuan]

[Text] Harbin, 28 Feb (XINHUA) -- Heilongjiang Province, our country's important marketable grain base, is determined to proceed from the overall situation and provide more marketable grain and agricultural and sideline products for the state. The decision was made recently when the Heilongjiang Provincial CCP Committee summed up past rural work experience and discussed and set future tasks.

Since the 3d plenary session of the 11th party Central Committee, Heilongjiang Province has rationally readjusted the geographical distribution of agriculture and gradually changed from growing only grain to diversification. In 1979 and 1980 the province's grain output increased steadily while cash crops, forestry, animal husbandry, sideline production and fisheries scored all-round increases. In the past year, despite flood and waterlogging disasters rarely seen in history, grain crops still produced a fairly good harvest; oil-bearing crops, beet, flax, flue-cured tobacco and other cash crops increased by 27.2 percent over the previous year; and new developments were made in forestry, animal husbandry, sideline production, fisheries and other diversified undertakings as well as in commune members' family sideline production. The present problem is that in some places people want to grow more cash crops and less grain. Also, regarding local financial revenue and expenditure, because the actual management expenses for the transfer of grain generally exceeded the standards set by the State Council, the result was that the more grain purchased and shipped out, the greater the financial loss to the localities.

The Heilongjiang Provincial CCP Committee studied these conditions and conducted serious discussions. It held that proceeding from Heilongjiang's actual position in the whole country, it is imperative for the province to encourage taking the overall situation into account and to resolutely strive to provide more marketable grain and agricultural and sideline products for the state. This is the glorious task of the people in Heilongjiang. Because of this, it is necessary to actively adopt effective measures to fulfill the various production tasks under the guidance of the state plans. The measures are:

1. It is necessary to correctly handle the planting ratio between grain crops and cash crops, "sparing no effort in promoting grain production and diversified undertakings." The provincial party committee has decided that as the area of arable land in the province cannot presently be significantly increased, the area of grain crops should not be reduced too much or too soon. Cash crops should be developed step by step on the precondition that grain production is guaranteed to increase steadily. In both grain production and cash crops, production efforts should be made to increase the yield per unit area this year and in the years ahead.
2. While guaranteeing the growth of grain production and actively promoting cash crops, it is necessary to vigorously develop forestry, animal husbandry, sideline production, fisheries and other diversified undertakings and actively support commune members in developing family sideline occupations. At present, the rural areas in various parts of the province are making preparations for or are engaged in spring plowing and sowing. In connection with the farming preparations and spring plowing and sowing, and in accordance with the provincial party committee's stipulations, it is necessary to turn over to each household all the farmland, forage land and firewood forest land that commune members are permitted to keep for personal needs, and to turn over to the communes and production brigades and teams the barren hills and wasteland allocated to them in order to promote the development of forestry, animal husbandry, sideline production, fisheries and other diversified undertakings as quickly as possible.

3. It is necessary to act according to our own capabilities and do a good job in developing capital construction projects in agriculture. We must gradually combine engineering measures with biological and agricultural measures in building farmland that will give stable and high yields in spite of droughts or waterlogging.

4. Efforts must be made to fully utilize farm machinery. At present, we must pay attention to forming a farm machinery network and strengthen maintenance work, improve the various responsibility systems in farm machinery groups and teams, raise our efficiency in using farm machinery so as to further improve quality in our work, reduce production costs and achieve better economic results.

5. It is necessary to rely on policy and science. From now on, rural communes and brigades throughout the province must further improve and stabilize the various production responsibility systems in the fields of agriculture, forestry, animal husbandry, sideline production and fisheries. Proceeding from the actual situation in Heilongjiang, we must mainly promote and improve the system of assigning fixed quotas to specialized groups and giving remuneration according to output. We must also promote and improve the system of individual laborers undertaking responsibility to complete certain work assignments under the unified management of the production team and the system of making payments on the basis of work done in various farm machinery groups and teams. In localities where the system of fixing farm output quotas on the household basis and the system of individual responsibility for the fulfillment of certain quotas in farm work have been implemented, it is necessary to strengthen our leadership. At the same time, we must vigorously conduct mass activities in promoting agricultural science and technology, enthusiastically popularize advanced science and technology and put scientific and technical achievements to actual use in production as soon as possible.

LIAONING RIBAO ENCOURAGES ATHEIST PROPAGANDA

HK041211 Shenyang LIAONING RIBAO in Chinese 17 Feb 82 p 3

[Article by Gong Xi [1362 1585] and Yin Zi [1438 1311] "Persistently Carry Out Propaganda in Atheism"]

[Text] "We must tirelessly carry out atheist propaganda and struggle." Lenin said these words more than 60 years ago during a discussion of what a magazine's task should be. Even today this phrase, particularly the word "tirelessly," merits serious attention.

When people in our country lacked a relatively systematic understanding of dialectical materialism and historical materialism, they had a simple understanding of materialism as being no more than an absence of belief in either spirits or ghosts. In fact such an understanding was expressed by many comrades who wanted to join the party. They insisted that they had made a clean break with feudal superstition and were, therefore, believers in Marxism-Leninism. While such an understanding is not particularly profound it does express a basic knowledge of materialism. And even today it should never be thought that such a basic understanding is no longer essential. It is, of course, very important to the task of carrying out materialist propaganda that we should be able to solve the problem of both idealist work guidance and subjectivist methods of thinking and work. Atheist propaganda and opposition to feudal superstition is, however, a task that should not be overlooked. The fact is that once propaganda in atheism is relaxed, feudal superstitious activities may again rear their head and begin to pollute and damage the overall social atmosphere.

Propaganda in atheism did not originate with the Communist Party. Everyone is familiar with Xi Menbao, Fan Zhen and other champions of atheism in Chinese history. However, it was our Communist Party that first wrote atheism on its banner and first made unremitting efforts to promote it, converting atheism into the leading ideology in society. Therefore, the propagation of atheism is not merely a matter for thinkers and theoreticians nor is it merely a matter for propaganda departments or philosophical circles; it is something that should concern the whole of society.

It is obviously a mistake to lump all forms of feudal superstition together in the category of class struggle and to try and solve the problem in a hurried and violent fashion. This does not mean, however, that we can treat the matter lightly. As far as both the needs of the struggle on the ideological front line and spiritual and material construction are concerned, propaganda in atheism and opposition to feudal superstition are matters of major importance that cannot be ignored.

Some comrades believe that once science and culture have been developed and once the level of production has been raised, superstitious activities will fade away of their own accord. There is certainly no doubt about the fact that the elimination of feudal superstitious thinking is dependent on economic, scientific and cultural development. However, we should never forget one of the important principles revealed to us by historical materialism; that is, that ideology is relatively independent. Old ideas never disappear of their own accord and even after the political and economic system has collapsed it may take a very considerable period of time before they actually "enter the grave." In certain economically advanced nations some people use electronic calculators to work out their horoscopes. And in our own country many feudal superstitious activities have been given a "modernized" gloss. For example, some people now burn cars and television sets made of paper instead of paper horses and carts. Advanced science and technology and a developed material civilization merely provide the material precondition for the elimination of decadent thinking; before it can be truly eliminated large-scale and frequent ideological education must be carried out.

Some feudal superstitious activities directly violate our country's penal code. Sections 99 and 165 of the "Penal Code" stipulate respectively the punishments for the organization of secret societies and the use of feudal superstitions to carry out counterrevolutionary activities and for the use of superstitions by sorcerers and witches to spread rumours and to gain money by deceit. In our practical life there are also many feudal superstitious activities which do not violate the law; practices such as receiving spirits, burning funeral paper, superstitious quackery and divination merely reflect the deception caused by superstitious thinking. This should be the focus of our efforts to carry out propaganda in atheism.

During this period of constructing a socialist spiritual civilization it is the responsibility of party members, the nation's cadres and enlightened citizens to carry out propaganda in atheism so as to help superstitious people escape from the fetters of feudal superstition and to help establish a fine social atmosphere.

CCP'S LI DESHENG AT LIAONING MEETING ON LEI FENG

SK041323 Shenyang Liaoning Provincial Service in Mandarin 1100 GMT 3 Mar 82

[Excerpts] The Shenyang PLA units held an experience exchange meeting from 26 February to 3 March on learning from Lei Feng and model heroes and on building spiritual civilization. Attending the meeting were Li Desheng, commander of the Shenyang PLA units, and Liao Hansheng, first political commissar. Also attending were over 100 representatives of advanced units and advanced individuals.

During the meeting, participants enthusiastically discussed ways to extensively promote the campaign on creating and vying to become advanced units and individuals in building a spiritual civilization. They issued a pledge to all commanders and fighters, workers and their families, urging them to launch mass activities on building advanced companies and advanced individuals in this campaign.

At the conclusion of the meeting, (Peng Zemin), director of the political department of the Shenyang PLA units, issued an order commanding advanced units and individuals in building spiritual civilization. Comrades Li Desheng and Liao Hansheng presented citations to 29 advanced units. Comrade Liao Hansheng spoke. He stressed: Building a socialist spiritual civilization is a great and longstanding strategic task and vying to become glorious pacesetters in building socialist spiritual civilization is the historic mission of our army. Leading cadres must take the lead in building a socialist spiritual civilization and be examples for the people.

ARTICLE VIEWS CURRENT TAIWAN ECONOMIC SITUATION

HK270753 Beijing ZHONGGUO XINWEN SHE in Chinese 0101 GMT 26 Feb 82

[Article by Lin Difei [2651 3321 7236]: "Reunification of the Motherland Can Stimulate the Development of Taiwan's Economy"]

[Text] Beijing, 26 Feb (ZHONGGUO XINWEN SHE) -- In further expounding the policy of the return of Taiwan to the motherland to realize unification by peaceful means, Ye Jianying, chairman of the NPC Standing Committee, said "the unification and the prosperity of China is not only the basic interest of the people of all nationalities in the mainland, but also that of the compatriots of all nationalities in Taiwan." To the people of the mainland, his words are easy to understand. However, since the social and economic systems are different and since Taiwan has been separated from the motherland for more than 30 years, it is not surprising that the Taiwan compatriots have doubts about it and hold different views. In particular, people in industrial and commercial circles are full of worries. I was formerly an industrialist and I have been in economic circles since the 1930's. I would like to discuss with the people of the industrial and commercial circles of Taiwan whether or not the return of Taiwan to the motherland would be advantageous to the Taiwan economy and to industrial and commercial circles. I hope this can serve as reference.

As far as I know, one of the greatest worries of Taiwan economic and industrial and commercial circles is whether or not Taiwan industry and commerce will develop after reunification. This is a very practical and specific question related to the Taiwan economy itself and must be analyzed in depth according to the current economic situation in Taiwan and to the economic conditions on the mainland.

It is undeniable that the Taiwan economy has changed its economic structure from the previous economic pattern of giving prominence to agriculture to becoming an industrial center for processing and export industries since the 1960's, when foreign investments and investments by Overseas Chinese were encouraged. As a result, the Taiwan economy has developed to a certain extent. Social production and the living standard of the people have improved. However, in actuality, the Taiwan economy is one that depends on the economy of the capitalist countries. The development of the Taiwan economy is built on the basis of cheap labor, foreign investments and a large international market.

First of all, the foundation of industry in Taiwan is rather weak. It is a production system that takes processing and assembling in light industry as primary, and most of the plants are processing and assembling imported raw materials and semi-finished products. Even the fast-developing electronics industry is only processing and assembling imported electronic modules and parts. And heavy industry is very much an industry of processing and assembly in nature. For example, the steel and parts which are essential for the Taiwan shipbuilding industry are imported from Japan, and even the technicians are employed from Japan. In this situation, once there is a short supply of raw materials, or when commodity prices fluctuate, it is inevitable that industry faces a dilemma, or even stagnates. For example, during the first international oil crisis in 1974, there was a shortage of oil and raw materials for Taiwan. As a result, more than 50,000 enterprises were closed down and some 300,000 workers were jobless. Another example: During the second international oil crisis in 1979, Taiwan had to impose restrictions on electricity supply since there was an oil shortage. As a result, the output of the iron and steel industry was reduced by 30 percent. In the same year, due to the incessant increase of the price of imported cotton and of production costs, more than 50 textile mills were closed down. The abnormal development of this kind of dependent economy lacks vitality and is very unstable. Since last year's recession, the Taiwan economy has been gloomy and it is unlikely that there will be a recovery in the near future. No wonder Zhao Yaodong, the new "economic minister," calls for "cutting expenses and not yearning for the economic prosperity of the past good old days."

Second, the initial development of the Taiwan economy mainly relied on "American aid;" and later on, it borrowed a large amount in foreign loans. This added a burden to its economy. From 1951 to 1965, the United States granted a total amount of \$1.5 billion in so-called "economic aid" to Taiwan. Since 1965, "American aid" has been granted by American banks. According to Taiwan publications, up to 1980, Taiwan had borrowed some

\$2.7 billion in long- and medium-term loans from the American Import and Export Bank. Furthermore, Taiwan also borrowed money from some European and Middle East financial organizations. According to incomplete statistics, up to the first half year of 1980, the total amount of foreign loans borrowed by Taiwan amounted to some \$4.8 billion. On the average, every Taiwanese carries a burden of some \$270 of foreign loans. To make things worse, some capitalist countries, including the United States, have adopted a policy of high interest rates over the past few years. This has added fresh burdens to the Taiwan economy. For example: The Taiwan Electric Power Company had to increase annual spending by NT\$2 billion in interest; "borrow loans, repay capital with interest, expand, again borrow loans, and again repay capital with interest." This is like a growing snowball. Another example: The "electrification project of the main western railroad," one of the "ten construction projects" of Taiwan, has to repay as much as NT\$3 billion. Of the some NT\$9.92 billion capital of the China Shipping Company, 8.5 billion are in fact foreign loans. Each year it has to pay some \$800 million in interest. Over the past few years, quite a number of Taiwan enterprises have fallen seriously in debt because they are overloaded with the burden of debts and interests, plus the fluctuating prices of imported raw materials. This has worsened the unstable economic situation.

Over the past 30 years, the Taiwan authorities have adopted a policy of "attaching more importance to industry and less to agriculture" at the expense of agricultural development. With the dumping of a large amount of American "surplus" agricultural products, Taiwan agriculture was seriously sabotaged and agricultural production was on the decline. In 1977 and 1978, there was a drop of 4 and 1.8 percent respectively. In 1980, there was another drop of 2.5 percent. Furthermore, to promote the processing and export industries, the Taiwan authorities do not hesitate to sacrifice the basic interests of the broad masses of the peasants. On the one hand, they practice the policy of low selling-prices for agricultural products and "planned procurement of grain," while on the other hand, they sell fertilizers, agricultural chemicals, agricultural machinery and other agricultural means of production to the peasants at a high price. Thus, the peasants are under a dual exploitation, by both imports and exports. As a result, 60 percent of the some 6 million Taiwan agricultural population are in debt. According to a report, at present, the average debt per farming household is as much as NT\$50,000. However, the average income of the peasants ranks last among all trades. In order to make a living, the peasants must engage in sideline production and other trades. The youths rush to towns to seek a living. As a result, many fields are deserted and lay in waste. The agricultural recession will certainly do harm to the whole economic life of Taiwan.

The eighth of NPC Chairman Ye Jianying's nine proposals said: "We welcome investment from industrial and commercial circles of Taiwan in the motherland. If they set up economic undertakings in the motherland, we will ensure their legal rights and interests." This has pointed out a bright road of relying on the motherland and ourselves, instead of foreign capital, to develop our national economic undertaking through self-reliance. Since the government adopted the policy of reform through readjustment and other effective measures, we have achieved significant results. To speed up economic construction, our government has carried out rational production and technical cooperation with foreign countries over the past few years. Joint projects have been undertaken, and the legal rights of foreign merchants are fully guaranteed by the people's government. As foreign investors are welcomed and guaranteed, people from industrial and commercial circles of Taiwan will also be welcomed, since they are our own flesh and blood. At present, although the average production and the living standards of the 1 billion population living in the mainland are not very high, the average per capita production in some regions and municipalities is higher than in Taiwan. Moreover, the mainland is richly endowed by nature; it has the advantages of having "a vast territory, abundant resources and a large population." It has sufficient supply of raw materials and an immense market. The prospect of economic development is boundless. The superior conditions of the motherland can provide Taiwan with what it needs for its economy. After the reunification of the motherland, the Taiwan economy will be free from exploitation and control by foreign investors, and it will no longer suffer economic crisis because it will no longer rely on the international market. Hence, it can extricate itself from a difficult economic position and step onto the road of self-reliance and of devoting major efforts to developing the capital of our own nation and promoting a prosperous society and economy.

TA KUNG PAO ON U.S. FRIENDSHIP WITH TAIWAN

HK050939 Hong Kong TA KUNG PAO in Chinese 5 Mar 82 p 2

[Special feature by Cheng Yuan [4453 6678]: "Hegemonism or Friendship?"]

[Text] There are some people, including those in high positions, in the United States who stubbornly support Taiwan and insist on a long-term policy of selling arms to Taiwan, flouting China's sovereignty. They say: Taiwan is a "loyal friend" of the United States and "if we end all relations with an old friend for a new one," we will damage "the reputation of the United States." Thus, they proposed "repaying loyalty with loyalty."

Their words sound very appealing and loyal indeed. In actuality, they have ulterior motives. We must not fall for them!

May we ask: What is friendship to people who crave for hegemonism? The so-called "friendship," "reputation" and "loyalty" advocated by them are but pretexts for interfering in the internal affairs of other countries, so as to control them and practice hegemonism. According to their criterion for friends, anyone who adheres and listens to these good Americans are their "good friends" and "old friends;" anyone who acts against the will of some Americans, who dares to resist pressure of the United States, and who inveighs against U.S. interference in the internal affairs of other countries does not deserve to be called a true friend; he is not their friend and might become their "potential enemy." The U.S. disagreements with the Third World and Europe are mainly due to the United States desire to impose its ideas on them. What is worse, the Americans treat their friends as if they are commodities and their value fluctuates from time to time. Once they find that a friend is no longer useful to them, they merely cast him away. Were Syngman Rhee of South Korea and Ngo Dinh Diem of South Vietnam not good enough to be called "old friends" and "good friends?" But, what was their fate? What happened to them remains fresh in people's memories. Frankly speaking, people like Syngman Rhee and Ngo Dinh Diem deserved their just punishment. However, for those Americans who place "friendship" above everything else, at critical moments, will they sacrifice their own interests for the sake of their friends? Or will they sacrifice their friends' interests for the sake of themselves? Will they "repay loyalty with loyalty?" Or have they actually "harbored malicious intentions" beforehand? It is so obvious that everybody, including the old friends of the United States, is able to draw conclusions.

The American people are very passionate and hospitable. They believe that China has no intention at all of restricting the United States in making friends with anyone, including America's friends in Taiwan. What China opposes is confusing human relationships with national relationships, and using it as pretext for interfering in the internal affairs of other countries.

China is a country with an ancient civilization and is famous for its hospitality. Our friends are spread all over the world. Former U.S. Presidents Nixon, Ford and Carter have established good personal relationships with Chinese leaders. Just imagine if China supported a former president to oppose the present president, how would he feel? If all countries insist on supporting their old friends and oppose present governments, would they not create great disorders throughout the world? In the wake of alternations of governments, the U.S. Government has reiterated that it attaches importance to relations between governments irregardless to changes of leaders. Since the United States has acknowledged that the People's Republic of China is the only legitimate government, (?should Taiwan be given special favors?) If the United States genuinely cares for and cherishes its "good friends" in Taiwan, it should use its influence to urge its Taiwan friends to conform to the historical trend of the times and accept the nine-point proposal for KMT-CCP peace talks put forth by Ye Jianying so as to make contributions to the peaceful reunification of China. This does not only conform to the interests of the Chinese and American peoples and to their "old friends," but is beneficial to all concerned.

The United States has every right to make friends with anyone it chooses. The question is, why are the "good friends" most appreciated by the United States the same people who were cast aside by the people of their own country and who are not welcomed by the people throughout the world? This is a question that the United States should ponder.

In the wise eyes of onlookers, the United States has placed two burdens on its shoulders by endearing its friends. One is Israel in the Middle East. The Begin government is imprudent and aggressive, to the extent that it is disgusts everyone. In fact, it is the root of the trouble in the Middle East. However, some people in the United States treat it as an invaluable gem and grant it whatever it requests and shows the utmost solicitude to it. Thus, the United States has offended all the Arab states. The other is the South African authorities who stubbornly practice racism. These racists barge about in Africa and commit all kinds of crimes; they are the common enemy of the African people. Although the United States at times pays lip service to oppose them, at critical moments, it cannot refrain from coming out on the side of the South African authorities. Thus, it has offended the African people. On the Taiwan issue, which infringes upon China's sovereignty, if the United States goes too far and stubbornly insists on a long-term policy of selling arms to Taiwan in disregard of the national feelings of the 1 billion Chinese people, Sino-U.S. relations are bound to retrogress. Then, the United States will have to shoulder yet another heavy burden.

Some people in the United States worry that if they stop selling arms to their "old friends" in Taiwan, their "reputation" among allied countries will be affected. This is obviously a mere pretext for U.S. interference of the Chinese internal affairs. In actuality, what will genuinely affect the "reputation" of the United States is its injustice rather than its ruthlessness. Proceeding from the general situation and on the basis of upholding its principles, China has put forth many reasonable proposals and has made the furthest possible concessions. As a result, some fair-minded people and some countries have begun to worry and they have expressed their hope one after another that the United States would take action at this critical moment to avoid a retrogression of Sino-U.S. relations. If the United States does not give heed to their urges and clings obstinately to its course, then this will genuinely affect the "reputation of the United States." It is now a critical moment, and China has already prepared for the better or the worse. What is the genuine intention of the United States? People throughout the world are concerned about how this situation will develop.

WEN WEI PO ON INTERNATIONAL SOFTBALL RESOLUTION

HK050644 Hong Kong WEN WEI PO in Chinese 5 Mar 82 p 2

[Editorial "The Hawaii Resolution Must Be Amended"]

[Text] The "softball dispute" has aroused international attention. From it, people are making observations on the policies of both sides of the Taiwan Strait and the prospects for reunification and assessing the changes in the situation in China. What then is the cause of this "softball dispute" and how should we adroitly guide action according to circumstances?

Taipei was hesitant to host this international competition and, even now, the arguments have not yet ceased. In view of its "domestic policy," as the host it was reluctant to contact the athletes of mainland China. But on the other hand, it was afraid that it would be denounced and diplomatically isolated (particularly in the international sports circles) if it gave up sponsorship of the championship. It was in a dilemma. As a result of the pressure of public opinion, trusting to luck (thinking that mainland China was not definitely going to participate in the championship) and weighing the advantages and disadvantages, Taipei eventually decided to host the match.

Mainland China is enthusiastic about taking part in the championship. The athletes from mainland China have already taken part in the same championship in Montreal with athletes from Taiwan, and this will be in their own land and at a competition sponsored by the Taiwan compatriots! As soon as Taiwan made up its mind, Beijing expressed its desire to participate and decided to conduct trials in Zhengzhou in April to select good athletes to compete, together with the Taiwan athletes, against foreign athletes.

It should have been an ideal situation. It would give the athletes on both sides of the Taiwan Strait a chance to learn from one another by exchanging views and thus build up better relationships with one another. It would be the first incident in which compatriots from both Taiwan and mainland China can gather together and take part in a competition on the territory of the motherland.

However, new problems cropped up unexpectedly. The problem derived from the resolution of the 10th meeting of the International Softball Federation [ISF]. The meeting was held in Hawaii last May. On the one hand, the meeting formally accepted China as a member country allowing it to take part in the championship and changed the name of the Taiwan organization to "Chinese Taipei Softball Association." On the other hand, it decided that during the championship, "only the flag of the ISF and the national flag of the host country will be raised, and other member countries taking part in the match are not allowed to display their flags." The problem lies in the decision of the "national flag of the host country."

The fact that Taiwan is not representing China and is only a region under the administration of China has been reflected by the changing of the name of the Taiwan softball association. What then is meant by the "national flag of the host country?" Does it mean the five-star flag of China? The Taipei authorities, which are hosting the competition, will definitely object to this because China is still divided. Then, does this mean Taipei's flag which shows a "blue sky and red ground?" This, undoubtedly, is creating two China's by means of the championship. This does not accord with the present situation nor the stand of the ISF. The ISF already regards Beijing as China and only approved of Taipei's independent participation as a part of China in view of the actual situation in China. Therefore, the decision on raising the national flag of the host country is wrong and is merely creating contradictions and obstacles. The competition will definitely be hindered if the ISF does not amend and cancel this decision. At present, according to sources, the ISF will vote on the Hawaii resolution again. The nine members of its executive committee will vote by telegram and the decision will later be adopted by its full meeting.

We hope that this voting will correct the mistake of the old resolution, eliminating all man-made obstacles and enabling the match to take place in Taipei as scheduled.

How will Taipei handle the situation? It is impossible to change the international situation and arguments will only bring about greater isolation. They should get rid of their political prejudice and let the athletes of both sides of the Taiwan Strait be the pioneers in communicating with one another. Moreover, the match is hosted by a people's organization in accordance with international agreements and does not contradict the so-called "domestic policy." Therefore, the Taipei authorities should not brood over this. It is hoped that the match will become a new starting point for compatriots on both sides of the strait in cooperating with one another.

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